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## **Introduction**

Presently poverty reduction is the number one priority for Georgia. It stands for the key goal of the Government implementing different social programs on central and regional levels of country.

As a result of the reform of social systems, as of the year of 2006, the government program of social security was operated, the main purpose whereof is targeted and needful distribution of an aid and thus, drastic reduction of the poverty indexes at the national level.

As of June, 2006, the Association of Young Economists of Georgia (hereinafter referred to as the AYEG), upon cooperation with the State Social Subsidy Agency and support by the Oxfam's Georgian Office, commenced with implementation of the new initiative – the participatory monitoring of the social security program. The said initiative is experience of successful cooperation between non-governmental and governmental sectors.

Within the frames of the participatory monitoring the first program was implemented in Samegrelo region. The results of the project demonstrated that implementation of similar projects is very important. In 2007-2008 the project was implemented in Adjara region. Publication includes the methodology used for the surveys implemented in the region, survey results and key findings.

### ***Terms and expressions***

**The Agency** – the State Social Subsidy Agency, a legal entity under Public Law.

**The Family** – a group of persons being permanent residents of a detached living space and having the real kinship or otherwise, who keep house jointly (joint use of a living space, maintenance thereof, procurement of means of subsistence required for a family and disposal and distribution of those means for the benefit of a family). A family may include one person.

**The Social Agent** – a duly authorized person of the State Social Subsidy Agency, who studies and assesses the social and economic state of a registered applicant, following to the established procedure.

**The Rating** – a conventional unit indicating the social and economic state of applicants registered with the database.

**The Beneficiary Family** – the family registered with the database of the disadvantaged groups, which became subject to a social aid.

**The Non-beneficiary Family** – the family registered with the database of the disadvantaged groups, which failed to become subject to a social aid.

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## **The Project – Participatory Monitoring of the State Social Assistance Program**

The project is implemented upon cooperation with the State Social Subsidy Agency and support by OXFAM GB representation in Georgia.

**Duration:** May, 2007 – April, 2008.

**Location:** Adjara region.

The project is focused on elaboration of the model of sustainable participatory monitoring of the state social security program through facilitation of the joint participatory monitoring by the state and civil society, as well as capacity growth of the joint activity of the government and public sector engaged with the issues of poverty and poor people in order to expand the dialogue between the various groups of the society for the benefit of poor people.

Implementation of the project is based on the cooperation principle and at that, the State Social Subsidy Agency is interested in findings of the study. Right the State Social Subsidy Agency constitutes the direct beneficiary of the project, and families below the poverty threshold in the Adjara region constitute the indirect beneficiaries.

In the scopes of project following activates were implemented:

- Meetings and active consultations with representatives of the State Social Subsidy Agency and Ministry of Labor, Social and Healthcare;
- Quantitative survey of the Beneficiary and Non-beneficiary families;
- Identification and survey of people living in extreme poverty. Families were indentified during quantitative survey according to additional short questionnaire;
- Training for Social Agents of Adjara region;
- Working meetings and discussions about surveys' results;
- Presentation and publication of surveys' results and findings.

Two-phase quantitative survey for 1100 families (600 beneficiaries and 500 non-beneficiaries) was conducted within the frames of the project. The goal of the survey was the comparison of the status of beneficiary and non-beneficiary families during winter and summer seasons.

As a result of survey, there was assessed the progress of build-up of the databases and the certain procedural and typical problems related to implementation of the program were revealed as well.

During the quantitative survey the interviewed families were asked about the poor family for their identification. The interviewed families named, in their opinion, the poorest ones in their community. In total 697 families were named, of which 300, the most frequently named ones were selected and the survey was implemented.

A working meeting was held after the surveys, which detailed the results of quantitative survey and that of the poor families, as well as related findings. The representatives of social subsidy agencies and the Ministry of Labor, Healthcare and social protection took part in the meeting. Interesting cases revealed during the surveys were also discussed at the meeting.

The said project is the clear demonstration of successful cooperation by and between the non-governmental and public sectors, when both of the parties are evenly interested in disclosure and settlement of problems and defects. Accordingly, the outcomes and disclosed problems of the study will affect development and perfection of the state social security program. And as a result, one more step will be taken to the poverty reduction in Georgia.

## **State Social Assistance Program**

Within the scope of the social assistance program, registration of poor people and development of the integrated database were commenced in 2005. The social security system existing in Georgia by that time was truly inflexible and ineffective and therefore, the reform of social system turned into actual necessity.

Until 2005 the social assistance system was based on categories and social assistance was issued only to the people falling under special categories and status (single, unemployed family members, mothers with many children, families not having bread-winners, invalids from childhood and blind persons of the first category).

People falling under the above category are under high-risk groups and the above system of social assistance is more or less justified. But, unfortunately, the number of people who do not fall under the above categories but live in extremely poor conditions and do not get social assistance was rather high.

In order to eliminate the above problems, the issue to define the category under need of social assistance was put on the agenda.

Special methodology was elaborated to identify the category of the population. The methodology enabled to identify social-economic



conditions of population. Presently, the families whose rating does not exceed 57 000 points receive social allowance.

As of 2005, the Social Subsidy Agency is in charge of implementation of the state program of “Development of the database of poor families”, which aim registration of the poorest families at the national level. Any family that deems itself in beggary due to its social and economic state, requires an aid and is willing to get such aid may receive an application form at a communication point as per place of residence, fill that out and deliver back to such communication point.

Following to a delivered application, the social agent representing the Agency shall visit such family and study the social and economic state of that family, what after, along with a duly authorized representative of the family, s/he shall fill out a specific document – “the family declaration”, which shall contain an information (demographic data, revenues living conditions, a property in possession, etc.) declared by such duly authorized representative of such family.

Prior to fill out of the declaration, the social agent shall notice the family that in case of any inaccuracy of or false data disclosed in the

course of examination thereof, such family should be unregistered and they forfeit the right of repeated application for registration with the database for subsequent 3 years.

After the mentioned procedure, the family shall receive the so called “database registration certificate”, which constitutes a document of a specific form and may be issued only to the families registered with the database. The certificate shall include the rating corresponding to the family. Any capable member or an authorized member of the family may receive the certificate. For the purposes of determination of an identity, the family representative shall, for the purposes of receipt of the certificate, furnish a document proving his identity (an identity (residence) card or a passport of the Georgian citizen), otherwise, no certificate shall be issued. By issue of the certificate, the registration procedure is deemed completed.

After completion of fill out of the declaration, accuracy of data provided shall be proved by signatures of an authorized representative of the family and the social agent. At the next stage, the Agency shall ensure processing of data provided under the declaration and following to the established procedure, shall set the rating of the family, which shall correspond to the living conditions thereof. As lower is the rating so much the family is poor.

The rating constitutes a solid unit, which determined whether the family shall receive the aid envisaged under the program. At present, families under the rate 57 000 receive monetary social aid.

It is noteworthy that the evaluation of the methodology is rather high, and foreign experts also agree with this. The evaluation of the programs of social assistance in the world is done based on the following coefficient:

K - The rate of beneficiaries within the target groups/the share of target groups within the population.

The above coefficient shows that the application of the methodology is much better compared to the neutral methodology (randomly distributed assistance).

The experts of the World Bank analyzed 253 programs implemented in different countries of the world. Based on their information the highest coefficient of purposefulness was observed in the social assistance programs implemented in Argentina  $K=4$ , while in Estonia  $K= 3,47$ . The coefficient in all other countries was lower than 3. In

Georgia the coefficient  $K = 4,05$  that might be considered rather high.

It should also be noted that the above social assistance programs envisage the number of family members, as well, meaning that social allowance is distributed per family member. For the family including only one member the assistance amounts to GEL 30. Additional GEL 12 shall be disbursed for every additional member. Therefore, if a family with one member receives GEL 30, the family with two members shall receive  $30+12$ , the family with three members –  $30+12+12$ , etc.

The analysis of the data base of socially unprotected families showed majority of the families spent their scarce income on healthcare, which was a rather big burden for such families. In order to solve the problem, the Ministry of Labor, Healthcare and Social Protection started a new program for socially unprotected families from July 1, 2006. The program was called Medical Insurance for Socially Unprotected Families. The goal of the program was the provision of the poorest layer of the society with healthcare service.

Presently, the families that are registered with the data base of socially unprotected families and their rating points do not exceed 70 000 receive free medical service.

Medical service includes: consultation with the family doctor in the medical center, as well as at home; consultation of the specialist based on the doctor's advice (surgeon, gynecologist, ophthalmologist, children's doctor, neuropathologist, endocrinologist, cardiologist, etc.); necessary measures for diagnosis (blood and urine analysis, identification of the level of glucose in blood, electrocardiograph, echolocation; X-ray); rendering relevant medical assistance in case of emergency; planned clinical service based on the doctor's advice (cataract, glaucoma; myoma uterus, ovary cyst; thireoctomia; prostate; cholecystogram; cancer surgeries, radiation treatment; operation for children under 15).

In accordance with April 2008 information 160 500 beneficiary families received social allowance and medical insurance policies (rating points under 57 000), (**Table # 1**). As for non-beneficiary families, which received medical insurance policies (rating points 57 000-70 000), their number amounts to 95 167 families as of 2008, (**Table # 2**).

Based on April 2008 data, 461 143 families are registered with the data base of poor families, of which 205 396 families' rating pints exceed 70 001 and, respectively, they do not get either social allowance or medical insurance.

The above program for social assistance is regulated by the Law of Georgia on Social Assistance, and the following by-laws:

1. The resolution of the Government of Georgia #51 of March 17, 2005 on the activities directed to reduce the poverty level and improve social protection measures in the country;
2. The resolution of the Government of Georgia #126 of August 4, 2005 On the approval of the methodology for the evaluation of social and economic conditions of socially unprotected population;
3. The resolution of the Government of Georgia of July 28, 2006 On Social Assistance;
4. The decree #120N of the Minister of Labor, Healthcare and Social Protection of April 27, 2005 On the approval the instructions about application form, how to register and process the forms in order to get enrolled in socially unprotected families' database.
5. The decree #1-1/1024 of the Minister of Economic Development of September 29, 2005 on the Approval of the rules for the evaluation of social and economic conditions of socially unprotected families;

6. The decree #34N of the Minister of Labor, Healthcare and Social Protection of February 3, 2007 on the Approval of the rule on certificate form and its issuance for the families registered with the database of socially unprotected families;
7. The decree #225N of the Minister of Labor, Healthcare and Social Protection of August 22, 2006 on the rules for allocation and disbursement of ear-mark social assistance.

**Table # 1<sup>1</sup>**

**Beneficiary families which also have Medical Insurance**

<b>Region</b>	<b>Family</b>
Tbilisi	20 393
Guria Region	7 643
Racha-lechkhumi and Qvemo Svaneti Region	8 149
Kakheti Region	21 457
Imereti Region	32 005
Mtskheta-mtianeti Region	8 426
Samegrelo-zemo svaneti Region	22 141
Samskhe-javakheti Region	4 883
Qvemo Qartli Region	10 309
Shida Qartli Region	14 579
Adjara Region	10 272
Zemo Apkhazeti	323
<b>Total</b>	<b>160 500</b>

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<sup>1</sup> By April, 2008

**Table # 2<sup>2</sup>****Non-beneficiary families which also have Medical Insurance**

<b>Region</b>	<b>Family</b>
Tbilisi	11 137
Guria Region	4 556
Racha-lechkhumi and Qvemo Svaneti Region	2 280
Kakheti Region	12 964
Imereti Region	18 932
Mtskheta-mtianeti Region	3 522
Samegrelo-zemo svaneti Region	10 694
Samskhe-javakheti Region	4 608
Qvemo Qartli Region	9 338
Shida Qartli Region	8 882
Adjara Region	8 213
Zemo Apkhazeti	41
<b>Total</b>	<b>95 167</b>

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<sup>2</sup> By April, 2008



## **Description and Methodology of the Study**

In order to assess the impact of the social security program upon the population's living conditions, as well as the progress of implementation of the program, various studies were conducted in Samegrelo region: the quantitative study of the beneficiary and non-beneficiary families and study of families living in extreme poverty.

The selection extent of the quantitative study constituted 1,100 (600 beneficiary and 500 non-beneficiary families of the program) families. The study was conducted by 2 phases, at the level of Adjara region (**Table # 3**).

The tasks of the survey were as follows:

- Evaluation of the program impact of the level of life of households;
- Comparison of different indicators for summer and winter seasons;
- Disclosure of changes in the structure of expenses of households after receiving the assistance;
- Identification of the social needs of the households;

- Evaluation of the goal of the program;
- Comparison of beneficiary and non-beneficiary families in terms of different indicators.

The methodology used for the purposes of the survey was filling out questionnaires by face to face interviews. The specialists of the Agency took part in the process of elaboration of questioners and selection of households.

**Table #3**

**Quantities of Beneficiary and Non-beneficiary families per districts**

<b>Location</b>	<b>Beneficiary</b>	<b>Non-beneficiary</b>	<b>Quantity</b>
Batumi Rayon	126	105	231
Qeda Rayon	42	35	77
Qobuleti Rayon	150	125	275
Suakhevi Rayon	60	50	110
Khelvachauri Rayon	132	110	242
Khulo Rayon	90	75	165
<b>Total</b>	<b>600</b>	<b>500</b>	<b>1100</b>

Based on the identification questions asked to the families participating in the quantitative survey, the survey of people living in extreme poverty was also carried out within the frames of the project. 300 families were interviewed for this purpose.

A special questionnaire was elaborated for survey of people living in extreme poverty, which included questions for beneficiary as well as for non-beneficiary families.

The tasks of the survey were as follows:

- Identification of the poorest families;
- Evaluation of getting or non-getting of social assistance by poor families;
- Analysis of income and expenses;
- Identification of primary and social needs of the families;

The survey was conducted in different regions of Adjara. The base for survey was defined based on the most frequently named families. Respectively, the poorest families were not equally distributed along the rayons of Adjara region (**Table # 4**).

**Table #4**

**Quantities of surveyed extremely poor people by districts**

<b>Location</b>	<b>Quantity</b>
Batumi Rayon	14
Qeda Rayon	21
Qobuleti Rayon	21
Khelvachauri Rayon	151
Khulo Rayon	93
<b>Total</b>	<b>300</b>

## **Selection Methodology of Conducted Studies**

### ***Quantitative Survey***

Selection basis – the integrated database of socially unsecured families;

Study area – the districts of Samegrelo region.

Selection extent – 1,100 interviews (600 Beneficiary and 500 Non-beneficiary families).

Selection design – stratified selection in the cities and the cluster selection in villages.

The selection extent was distributed against the districts as per ration of the applicants residing there.

11 interviews (with 6 beneficiaries and 5 non-beneficiaries) were conducted in each selected village. The number of selectable villages in each district  $N_R$  was determined by formula:

$$n_R = \frac{N_R}{11}$$

When  $N_R$  constituted the number of interview to be conducted in the villages of the district.

**Table #5****Conducted interviews by locations of Adjara region**

Rayon	Beneficiary		Non-beneficiary		Quantity of interviews	Quantity of Villages
	city	village	city	village		
Batumi Rayon	126	0	105	0	231	0
Qeda Rayon	6	36	5	30	77	6
Qobuleti Rayon	30	120	25	100	275	20
Suakhevi Rayon	6	54	5	45	110	9
Khelvachauri Rayon	6	126	5	105	242	21
Khulo Rayon	6	84	5	70	165	14
<b>Total</b>	<b>180</b>	<b>420</b>	<b>150</b>	<b>350</b>	<b>1100</b>	<b>70</b>

Selection of the villages was performed as per proportion of probable size (PPS). Selection of the families in the cities and the villages was performed through the simple random selection.

In each city and selected village there were performed the additional selections. If the family selected through the main selection denied the interview, it should have been substituted by the other family of the same settlement from the additional list.

### *Survey of extremely poor people*

Selection basis – database identified and formulated by families during the quantitative survey – rayons of Adjara region;

Selection extent – 300 interviews;

Selection design – most frequently named extremely poor families identified through quantitative survey.

## **Key Findings of the Quantitative Survey**

Two phases of the quantitative survey were conducted in Adjara region: in summer and winter. 600 beneficiary and 500 non-beneficiary families were interviewed. The goal of the two phases of the quantitative survey was to evaluate the material conditions of the families, comparison and analysis of income sources and structure of expenses by seasons.

- The structure of income and expenses of the families in winter and summer is analogous. The respondent families stated that they did not receive any income from leasing their houses to tourists or some other related activities;
- The average amount of expenses by components is different during summer and winter. The indicator of food expenses of beneficiary as well as non-beneficiary families exceed in winter to that in summer;
- The monthly food expenses of beneficiary families are about GEL 79, while in winter it amounts to GEL 103. For non-beneficiary families the same indicator in summer is GEL 91, while in winter it is GEL 128;

- Communal expenses also differ by seasons. Beneficiary families spend GEL 9 for communal expenses in summer, while in winter it amounts to GEL 15. Non-beneficiary families spend GEKL 13 in summer and GEL 19 in winter;
- The majority of beneficiaries get the information about the program from TV and/or local self-government bodies;
- The survey demonstrated that the population has incorrect and/or non-complete information about the methodology of the program and, respectively, about the criteria for the evaluation of families. In the opinion of 39.1% of non-beneficiary families, the biggest attention is paid to TV-set, while 23.6% consider that the most important item for making the decision is refrigerator. It is noteworthy that only 19.8% stated that they do not own any information about the criteria;
- By the time of the survey assistance had already been allotted to 85.8% of the beneficiary families, but still, 21% of them were not receiving social allowance. Also, social allowance



had been suspended for 10.8% of the beneficiary families and majority of them could not name the reason for suspension;

- Debt makes the major component of the income structure of the respondent families. The debt indicator is more or less similar for beneficiary as well as for non-beneficiary families during winter and summer;
- The income of families, in the best scenarios, is sufficient for food and medicines. The major part of their debts was also borrowed to buy food or medicines;
- Food makes the key component in the structure of expenses of poor families. After the social assistance programs the amount of food and partially its components increased for beneficiary families;
- The food and the structure of consumer goods consumed by the families is similar for beneficiary and non-beneficiary families, though, the expenses spent by non-beneficiary families for the purchase of food exceeds that of spent by beneficiary families;

- The respondent families mostly consume wheat flour, sugar, salt, oil, spaghetti and vermicelli;
- Despite the fact that receiving of the social assistance stipulates for the improvement of food components, the respondent families consider that even in case of doubled income, it would be spent for food and medicines;
- 59.1% of the respondents have healthcare policies. The policies were used twice by families, on average. In total, 14.3% of the respondents used their healthcare policies;
- Average expenses of the respondents amounted to GEL 139 per month for beneficiary families, while for non-beneficiaries it was GEL 188;
- Majority of the families buy medications twice a month on average. Expenses spent by beneficiary families on medications exceeds to that of the non-beneficiary ones;
- The level employment is very low for beneficiary (2.6%), as well as for non-beneficiary families (10.4%). The salaries of those employed amounts to GEL 157 per month;

- 34.4% of the beneficiary families positively evaluate the social assistance program, while 71% of non-beneficiary families consider that the program is not fair;
- Based on the evaluation made by the interviewer, the majority of the respondent families is poor. As for the life conditions, they are much better in non-beneficiary families than in beneficiary ones;
- 16.1% of non-beneficiary families were evaluated by the interviewer as extremely poor.

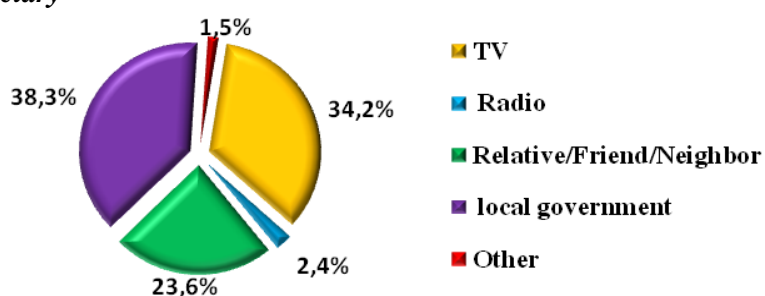
## Description of outcomes of the Quantitative Survey

The information source of the respondent families was revealed during the quantitative survey. The families obtain the information about the social assistance programs from different sources. 38% of the beneficiary families named local self-government bodies as the information source, while 42% of non-beneficiary families received the information about the program from TV.

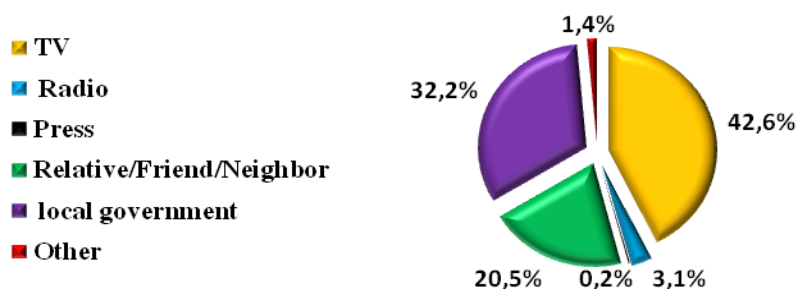
Chart # 1

### Informational source about Social Assistance Program

#### *Beneficiary*



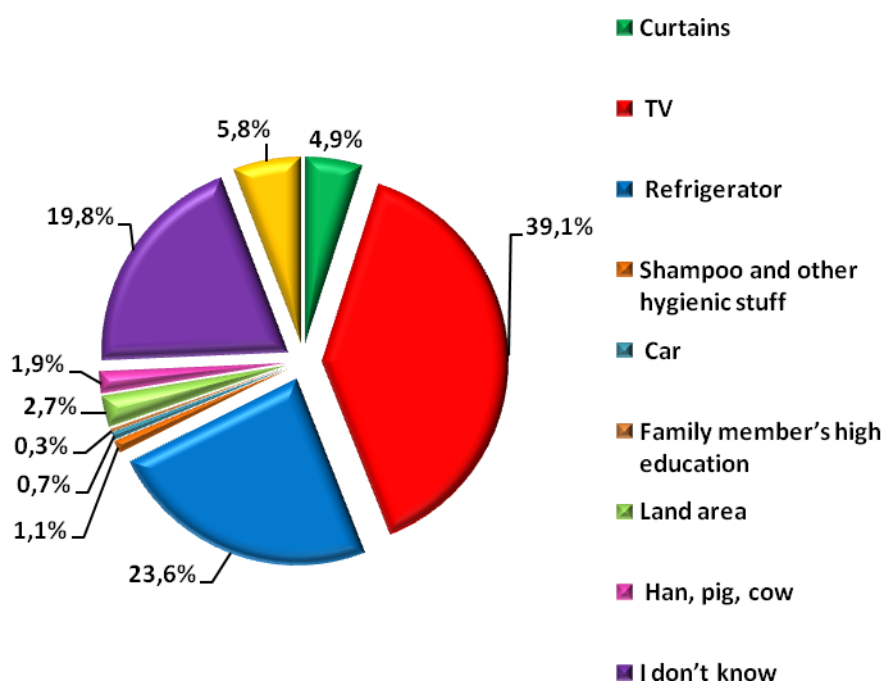
#### *Non-Beneficiary*



In the opinion of non-beneficiary families, the reason for non-receiving social assistance was incorrect system of evaluation as well as unfair evaluation of families by social agents. In the opinion of non-beneficiary families, the focus during the evaluation was made on TV and refrigerator.

**Chart # 2**

**Non-Beneficiary families' opinion what is the main criteria while assessing family condition by social agent**

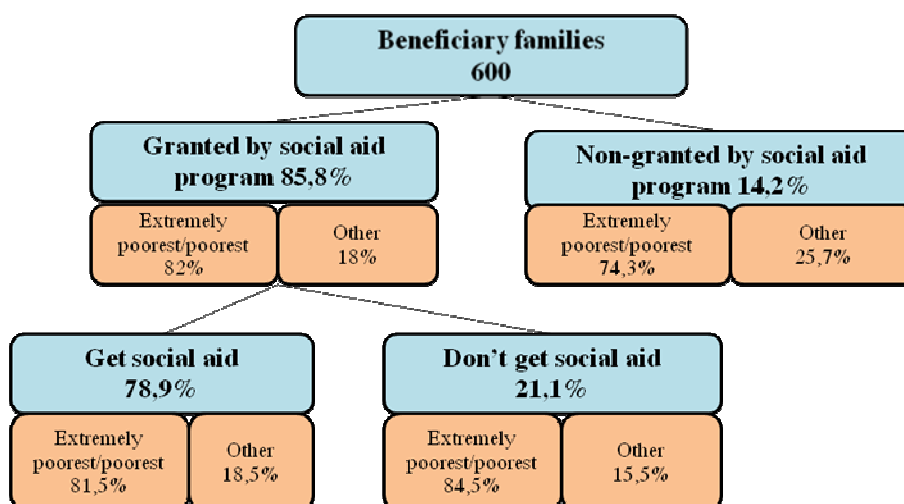


Absolute majority of the respondents during the quantitative survey applied for State Social Subsidy Program. Only four families did not apply. Based on the information provided by non-beneficiary families, the social agent incompletely filled out the applications of three families and did not fill out them at all of two families.

As for beneficiary families, 85% of them were assigned social assistance, of which 78.9% receive the assistance. Absolute majority of beneficiary families, those who receive as well as those who do not, was evaluated by the interviewer as extremely poor or poor.

**Scheme #1**

**Receiving Social Aid and assessment of interviewer in Beneficiary families**



75% of beneficiary families and 75.9% of non-beneficiary families know the rating points of their families, based on which they either became the beneficiaries or did not.

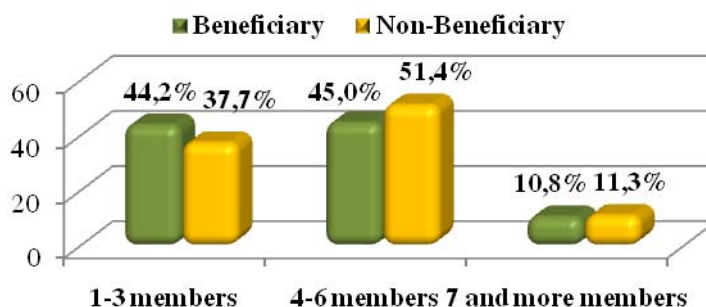
The social assistance program was suspended for 10.8% of beneficiary families. According to the statement made by 60% of them, they tried to find out the reasons for suspension with the local self-government bodies but they could not obtain the information during the survey period. 25% of the suspension reasons accounts for the changes in the number of family members.

44.4% of the respondent families receive allowance at home, while 56.6% do it at the bank. Based on the statement made by absolute majority of those who receive the social allowance at home, they receive it on time.

Beneficiary and non-beneficiary families by number of family members were equally presented in the survey data base. Families with 4-6 members made relatively higher representation, followed by families with 1-3 members. The number of the families with 7 and more members was low.

**Chart #3**

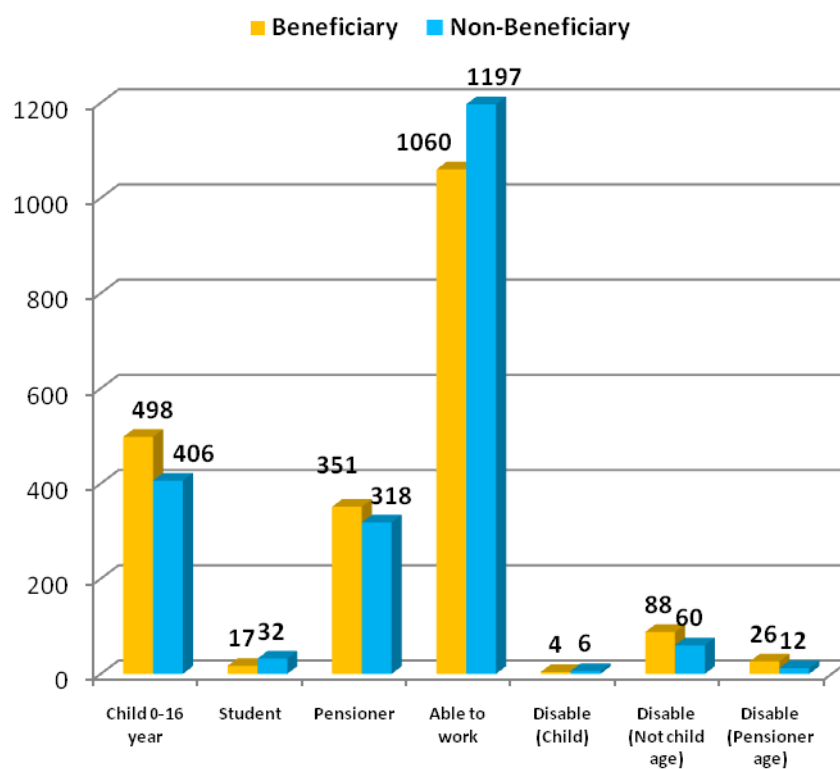
**Family members' quantity in Beneficiary and Non-Beneficiary families**



During the quantitative survey, the social status of beneficiary as well as of non-beneficiary families was defined. The result revealed the number of the members capable of working is rather high; the next indicator is of children and pensioners; the indicator for handicaps is low.

**Chart #4**

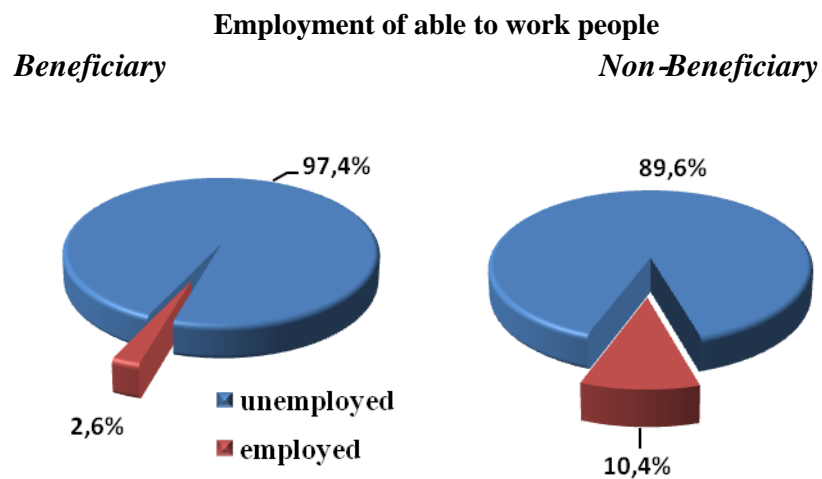
**Social Statuses of Interviewed people**





Despite the fact that the number of the respondent family members capable of working is high, only a small number of them are employed.

Chart #5



The income structure of beneficiary and non-beneficiary families is more or less similar, though debt component makes a big portion of the income of non-beneficiary families. Total amount of pension within the family is also higher in non-beneficiary families.

Chart # 6

### The Source of Income in Beneficiary Families

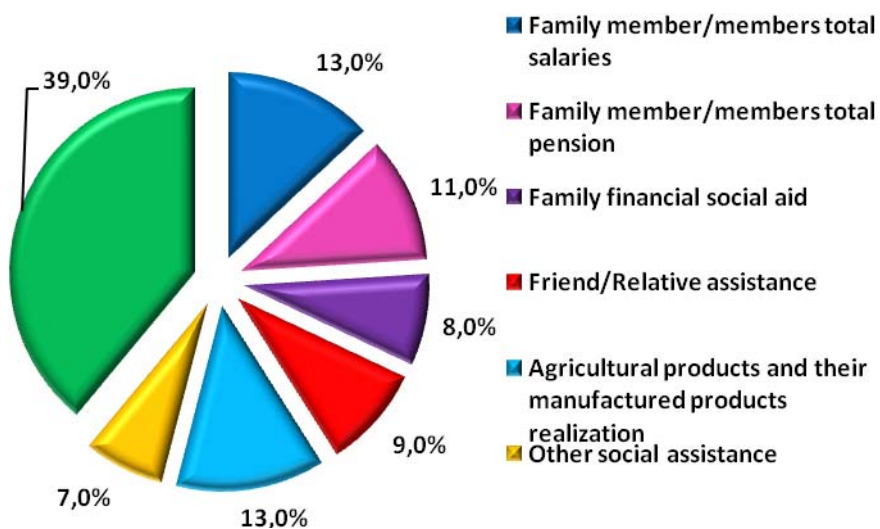
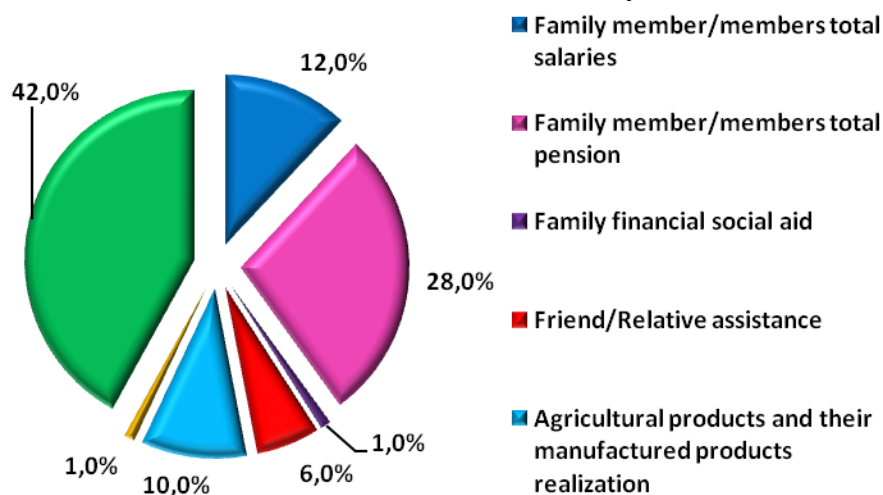


Chart # 7

### The Source of Income in Non-Beneficiary Families

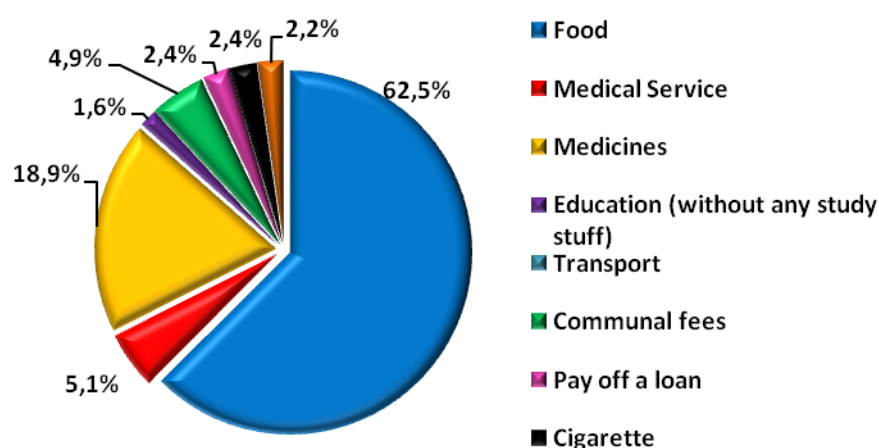


The debt indicator within the income structure of the respondent families is rather high. 68.6% of the beneficiary families and 72.4% of non-beneficiary families have debt. The beneficiary as well as non-beneficiary families named the reason for borrowing to be the need to buy food. Only 14.1% of beneficiary families and 12.1% of non-beneficiary repaid the debt. The source of repayment was named to be either saving or another debt.

The structure of expenses was also studied within the frames of the survey. The majority of the respondent families make their expenses to buy food, medications and medical service. Other expenses have very low indicator within the expenses structure in beneficiary as well as in non-beneficiary families.

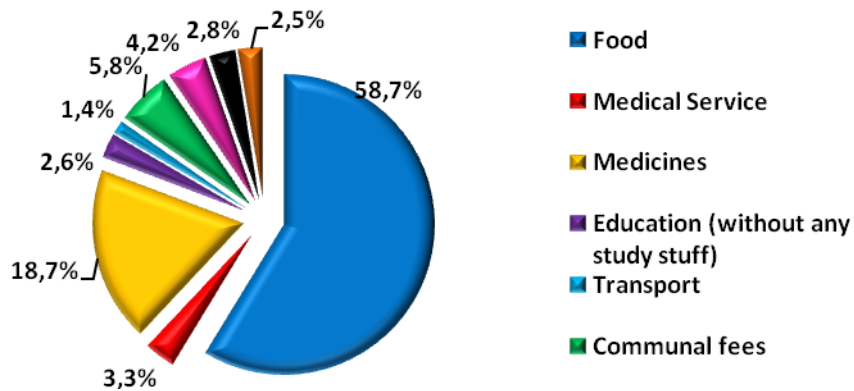
**Chart # 8**

**The Structure of Expenditures in Beneficiary families**



**Chart # 9**

### The Structure of Expenditures in Non-Beneficiary families



Average expenses of the respondent beneficiary families are similar to those of non-beneficiary families. However, per capita expenses, as well as total family expenses are higher in non-beneficiary families. Beneficiary families spend GEL 139 per month on average, while non-beneficiary families spend GEL 188.

Chart # 10

### The Average Expenditures of the Families (GEL per Month)

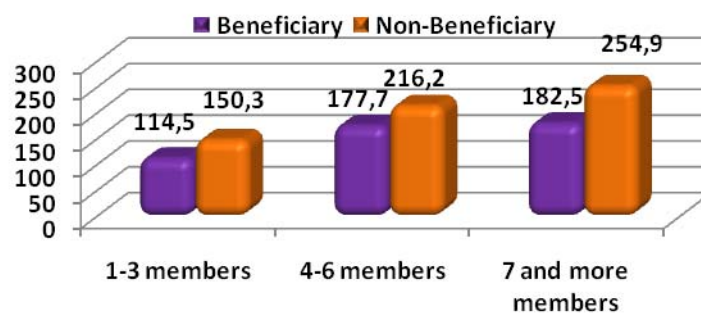
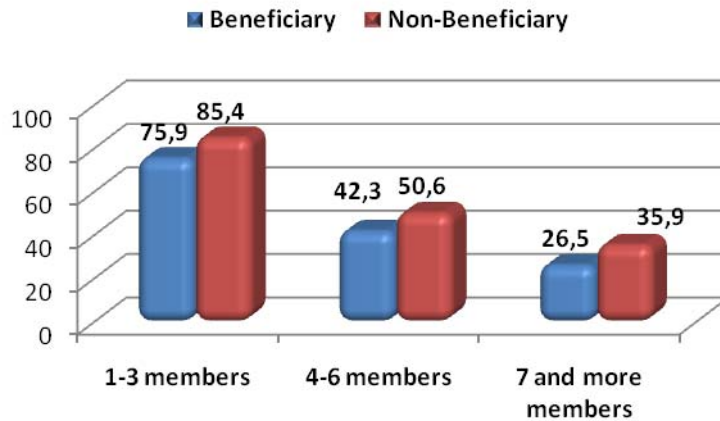


Chart # 11

### The Average Expenditures per one Family Member (GEL per Month)



Absolute majority of the respondent families spend their income for food. Education expenses are low and made by a small number of families. Expenses made on food exceed all other expenses. Expenses on food are followed by expenses made on medicines. Relatively small number of families pays communal expenses. Very small number of families makes expenses for clothes, educational items and other needs (**Table # 6**).

**Table # 6**

**Family Expenditures by consumed products (GEL per Month)**

Product	Families Total		Beneficiary		Non-Beneficiary	
	Family quantity	Average expenditure	Family quantity	Average expenditure	Family quantity	Average expenditure
Food	1022	114,9	537	102,9	485	128,3
Medical Service	111	71,9	49	92,1	62	55,9
Medicines	869	42,0	452	37,1	417	47,4
Cloths	18	45,8	4	26,0	14	51,4
Education (without study stuff)	24	174,6	8	177,5	16	173,1
Study stuff	58	21,8	28	17,1	30	26,2
Transport	154	14,9	59	14,0	95	15,5
Cell balance Card	92	14,6	12	24,1	80	13,1
Communal fees	612	17,2	284	15,4	328	18,9
Pay off a loan	125	53,1	71	30,5	54	82,8
Cigarette	368	13,8	177	11,9	191	15,4
Other	9	75,1	5	176	4	40,7

Majority of the respondent families buy food such as: wheat flour, spaghetti, vermicelli, oil, sugar and salt. Households also consume milk and relative products, eggs, corn flour, beans, fruit and vegetables. The number of families who consume meat and fish is very low, though the indicator exceeds for non-beneficiary families (**Table # 7**).

**Table # 7**

**Getting ways of consumed food production**

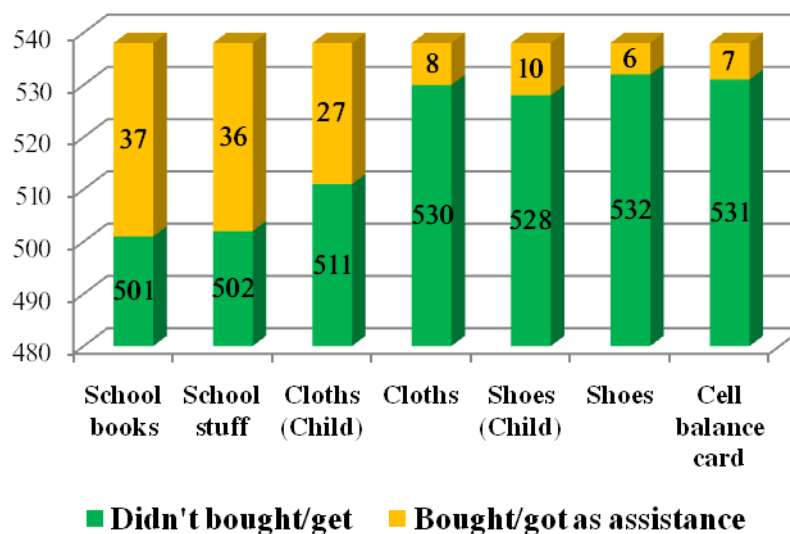
	Product	Beneficiary			Non-Beneficiary		
		Bought	Got from own enterprise	Haven't got	Bought	Got from own enterprise	Haven't got
1	Bread	115	4	417	123	8	352
2	Wheat flour/corn meal	473	207	328	443	185	305
3	Bean/pea/rice/buckwheat	342	186	494	351	178	413
4	Macaroni, vermicelli	256	1	254	262	0	217
5	Meat	12	5	516	53	5	428
6	Milk and dairy products	27	248	221	46	227	187
7	Egg	169	163	281	113	139	212
8	Margarine and oil	543	1	483	549	5	410
9	Fruits and Vegetables	310	352	363	361	292	292
10	Sugar and Salt	931	3	55	874	0	40
11	Coffee and tea	742	4	282	742	3	172
12	Cigarette	198	6	333	232	2	251
13	Daily consumption products (soap, shampoo, tooth paste, etc.)	1358	0	1256	1487	0	901
14	Other Products	253	122	1483	298	136	1270

The indicator for the consumption of consumer goods is very low in the quantitative survey. Beneficiary families have relatively high indicator for school text books and relative items. The structure is more or less similar in non-beneficiary families, though the expenses made on cell-phone are rather high (**Chart # 12**).

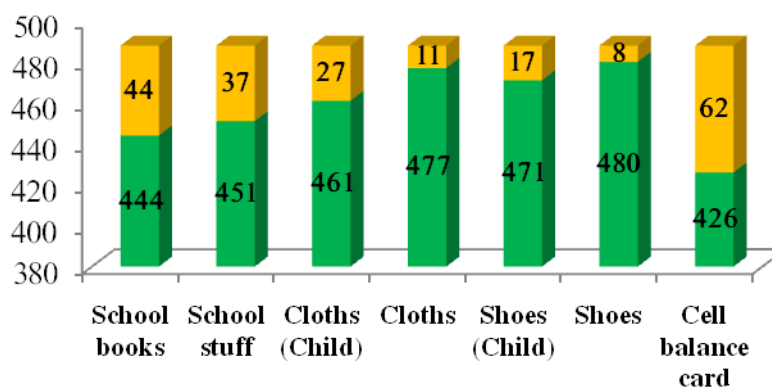
Chart # 12

# Consumed products in interviewed families

## *Beneficiary*



## *Non-Beneficiary*



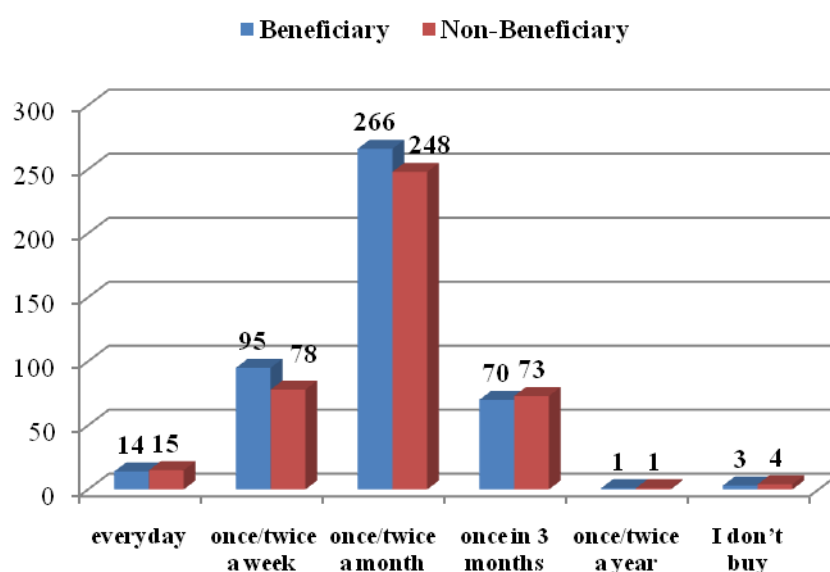


Both, beneficiary and non-beneficiary families name medications and medical service as priority after food in terms expenses and needs.

During the survey it was demonstrated that 84.7% of the respondent families make expenses on medications. The sum amounts to GEL 42 per month. The majority of the population beyond the poor buys medicines once or twice a month, on average.

**Chart # 13**

**Frequency of consumed medicines in interviewed families**



Only 10.8% make expenses on medical service, and the expenses amount to GEL 71.8 per month.

59.1% of the respondent families (72.7% of the beneficiaries and 44.1% of the non-beneficiaries) have health insurance policies. They used the policy twice on average. Total number of the respondent families having used the policies amounted to 14.3%.

The respondent families differently evaluate the social assistance program. 34.4% of the beneficiary families positively evaluate it, while 71% of the non-beneficiary families consider the program to be unfair.

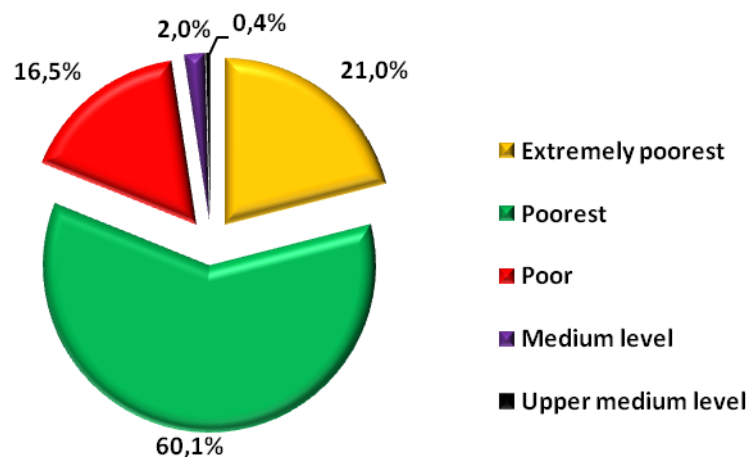
The families that participated in the quantitative survey evaluate their financial conditions as extremely bad. Their income, in the best scenario, is only enough for food. 96% of the beneficiary families and 90% of the non-beneficiary families consider that their income is not sufficient at all. Based on the evaluation of the social conditions of the families made by the interviewer, it was revealed that majority of the families is poor (**Chart # 14**).

During the quantitative assessment, the interviewers evaluated the living conditions of the respondents. Compared to other components, we can conclude that there is more vivid difference among the beneficiary and non-beneficiary families in this regard. Living conditions of the non-beneficiary families can be characterized as much better as compared to the beneficiary families (**Chart # 15**).

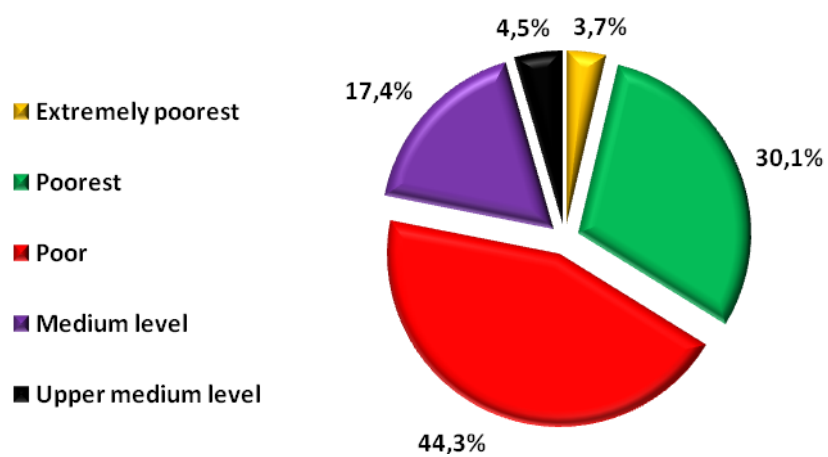
Chart # 14

Interviewer's assessment - the social condition of families

*Beneficiary*



*Non- Beneficiary*

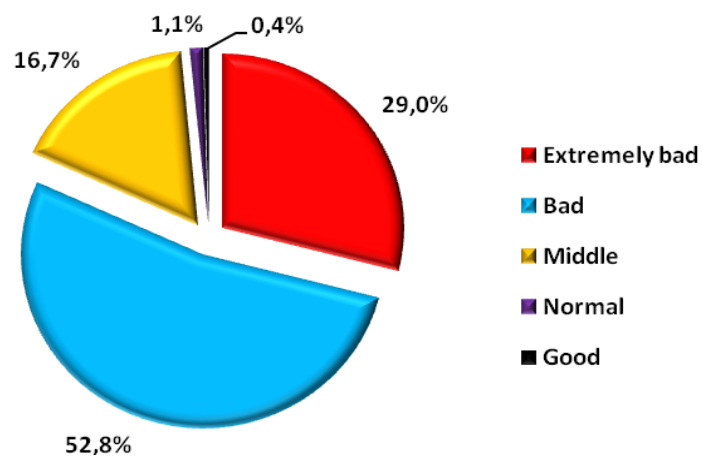


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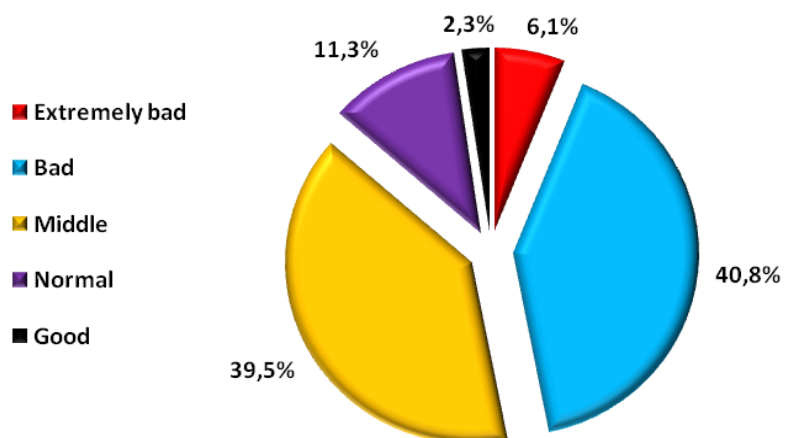
Chart # 15

Interviewer's assessment - the living conditions

*Beneficiary*



*Non- Beneficiary*



As mentioned above, through the quantitative research the families were offered to assess their own financial position and at the same time the interviewer was assigned the task to assess the family's social status. As a result, the status of the majority of families that assessed their income as not sufficient or covering only the food stuff expenses has been characterized by the interviewer as extreme poverty or poverty.

**Table # 8**

**Interviewer's and self- assessments in interviewed families**

*Beneficiary*

Social Evaluation		The income isn't Enough	The Income is Enough only for food	Total
<b>Extremely Poorest</b>	Quantity	81	1	82
	Percentage	17,8	1,6	15,8
<b>Poorest</b>	Quantity	275	26	301
	Percentage	60,4	41,3	58,1
<b>Poor</b>	Quantity	85	35	120
	Percentage	18,7	55,6	23,2
<b>Medium level</b>	Quantity	14	1	15
	Percentage	3,1	1,6	2,9
<b>Total</b>	Quantity	455	63	518
	Percentage	100	100	100

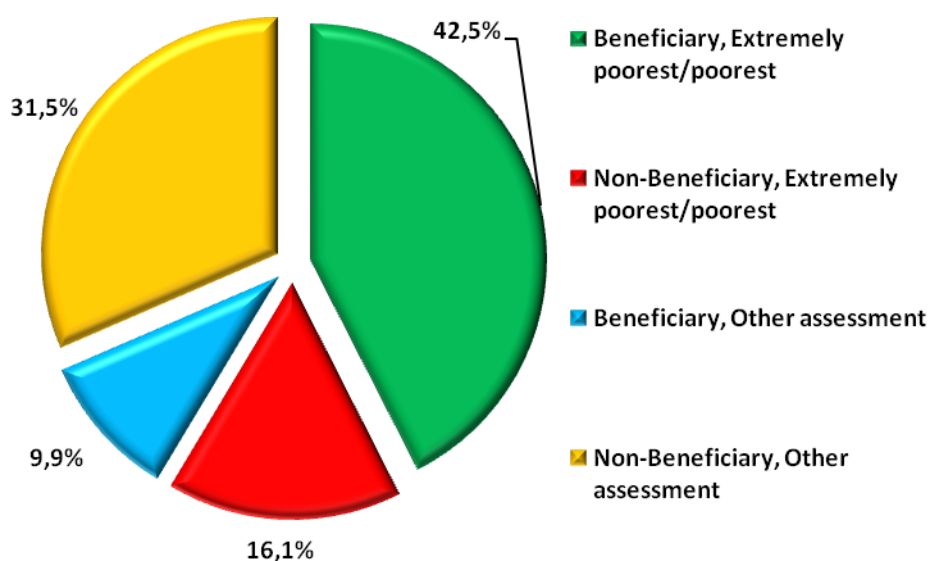
*Non-Beneficiary*

Social Evaluation		The income isn't Enough	The Income is Enough only for food	Total
<b>Extremely Poorest</b>	Quantity	25	2	27
	Percentage	7,0	2,8	6,3
<b>Poorest</b>	Quantity	142	8	150
	Percentage	39,8	11,1	35,0
<b>Poor</b>	Quantity	148	42	190
	Percentage	41,5	58,3	44,3
<b>Medium level</b>	Quantity	37	17	54
	Percentage	10,4	23,6	12,6
<b>Upper Medium level</b>	Quantity	5	3	8
	Percentage	1,4	4,2	1,9
<b>Total</b>	Quantity	357	72	429
	Percentage	100	100	100

Taking into consideration the above-mentioned, we can conclude that the social program is unable to cover 16.1% of the poor families – non-beneficiaries. These are the families that did not receive the evaluation of being poor or extremely poor (Chart # 16). 44% of non-beneficiary households was evaluated as poor and the rest gained the status of average or above the average income families (4.5%).

**Chart # 16**

**Assessment of Social conditions in interviewed families  
(Totally Beneficiary and Non-Beneficiary families)**



## **Key Findings of the Survey of Extremely poor people**

Concurrently with the first phase of the quantitative assessment, the identification survey of the extremely poor families has been conducted. The families participating in the quantitative assessment had to identify the extremely poor families living in their community.

As a result, among 697 families identified by the respondents as extremely poor 300 have been selected as most frequently named families. The assessment of the above families has been conducted simultaneously with the second phase of the quantitative assessment.

- On the basis of the identification survey of the poor families, the majority of them have been identified as living in Khelvachauri and Khulo regions;
- 6.2% of the families interviewed (or at least one member of the family) do not have birth certificates, whereas 5.5% do not have their IDs;
- The main source of income for the poor families is borrowing. 76, 7% of the respondents are constantly borrowing money; analyzing the structure of income of such families, we can state that debts make 70% of their income;
- Only 12, 3% of the families have been able to pay off a debt. 66, 7% of them managed to collect this money from the income received whereas the rest 33, 3% had to borrow the money for repaying the debt somewhere else. The majority of

the target families have to pay debts charged in their neighborhood food stores;

- The poor families primarily spend money on food; in particular, 65% of their expenses come on food;
- Monthly expenses of the interviewed families average GEL 161;
- The poor families mostly use wheat flour, margarine, oil, sugar, salt, kidney bean, and rice;
- The families interviewed spend/will spend their social allowance primarily on foodstuff, and medicines and medical care come next on the list. The priorities would not change even if the target families had the double income;
- 42, 7 of the poor families have medical insurance policy whereas 37,5% of them regularly use the insurance. The majority of the families buy the medicines once or twice a month;
- 58, 2% of the poor families disapprove of the social programs or are dissatisfied with them;
- 89, 7% of the families interviewed claim that the income received is completely insufficient even for the purchase of the food;
- According to the respondents, living and social conditions of the majority of the families interviewed are very poor.

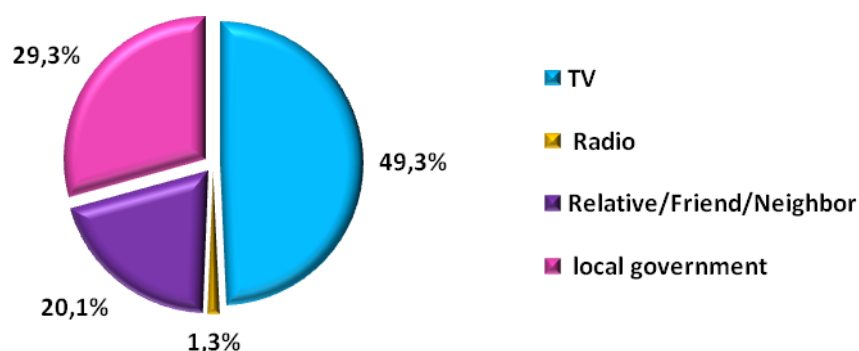


## Description of outcomes of the Survey of Extremely poor people

Within the framework of the assessment conducted, it was envisaged to identify the source of information for the families interviewed. The survey results concluded that the information on social allowance has been obtained by the target families from the different sources. The half of the interviewed families received the information on the existing social programs from the television. Other sources of the information identified during the survey were local authorities, relatives, neighbors and friends.

Chart # 17

### Informational source about Social Assistance Program



There were families among the target audience that did not applied to the relevant agencies for obtaining the birth certificates and/ or IDs. 6.2% of the families interviewed (or at least one member of their family) did not have their birth certificates, whereas 5.5% of them did not have their IDs.

The absence of the birth certificates and IDs was explained by different reasons. In particular, the absence of the birth certificates was primarily explained by time-consuming and complicated legal proceedings whereas the majority of the persons not having their IDs did not even try to obtain them.

Chart # 18

### Reasons not having birth certificates

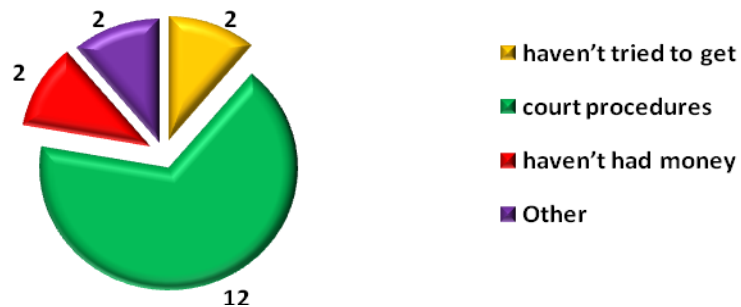
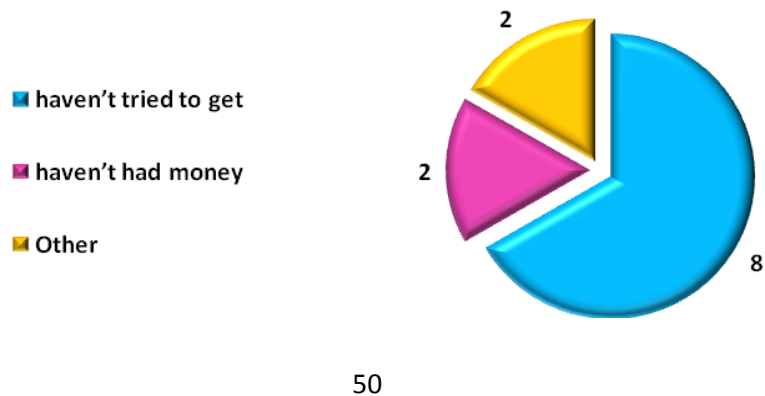


Chart # 19

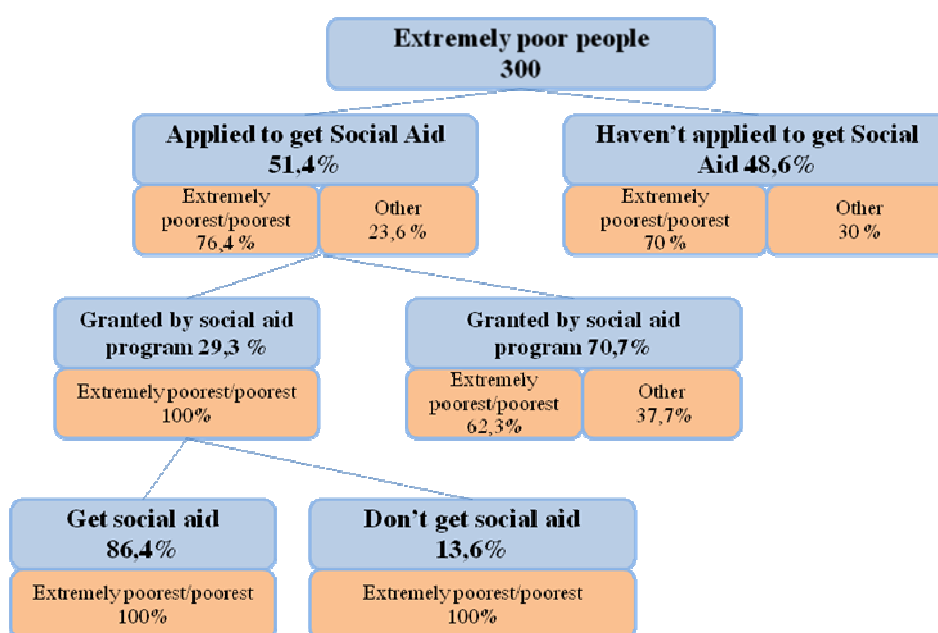
### Reasons not having ID Cards



51, 4% of the target 300 families applied for the participation in the social assistance program and 29, 3% of them received the assistance. According to the final data, 86,4% receive social allowance. The majority of the poor families interviewed were assessed as poor or extremely poor.

**Scheme #2**

**Receiving Social Aid and assessment of interviewer in Extremely Poor families**



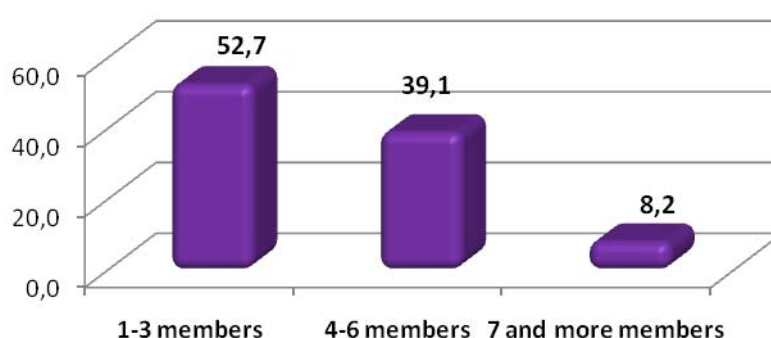
77, 3% of the poor families are well aware of their rating score that defines the family's eligibility for the social assistance program.

The social assistance program was suspended for 9,2% of the poor families. 50% of the respondents explain that the reason behind a suspension of the social program was the change in the number of the family members, whereas 50% of the respondents claim that they tried to clarify the reason for termination with the local authorities though all their efforts were of no avail. For 72, 5% of the beneficiary families the social allowance is home delivered whereas 27, 5% receive their social allowance through the banks.

The majority of the target families consisted of 1-3 members, and only very few of them consisted of 7 and more members.

**Chart #20**

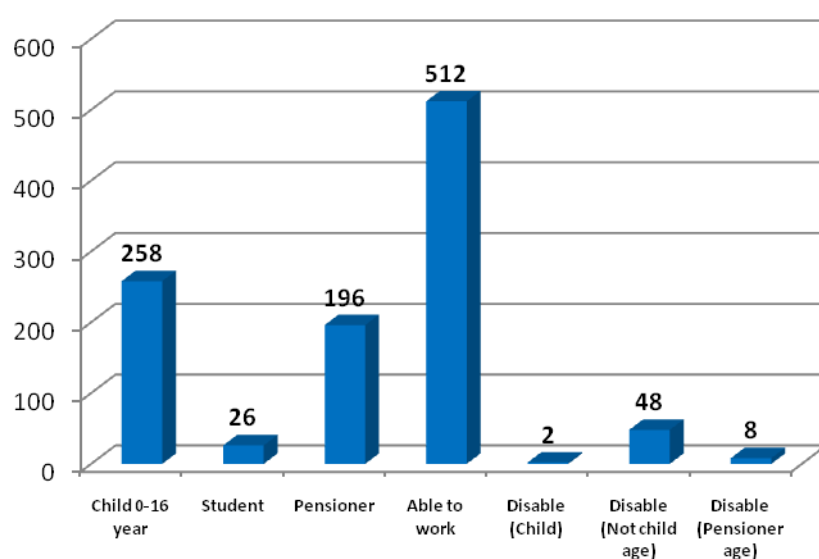
**Family members' quantity in Extremely Poor families**



Within the framework of the survey conducted, it was envisaged to define the social status of the family members. The survey results concluded that the portion of the family members able to work is quite substantial, whereas the next on this list are children and pensioners. The quantitative assessment demonstrated that there is big number of disabled persons in the interviewed poor families.

**Chart #21**

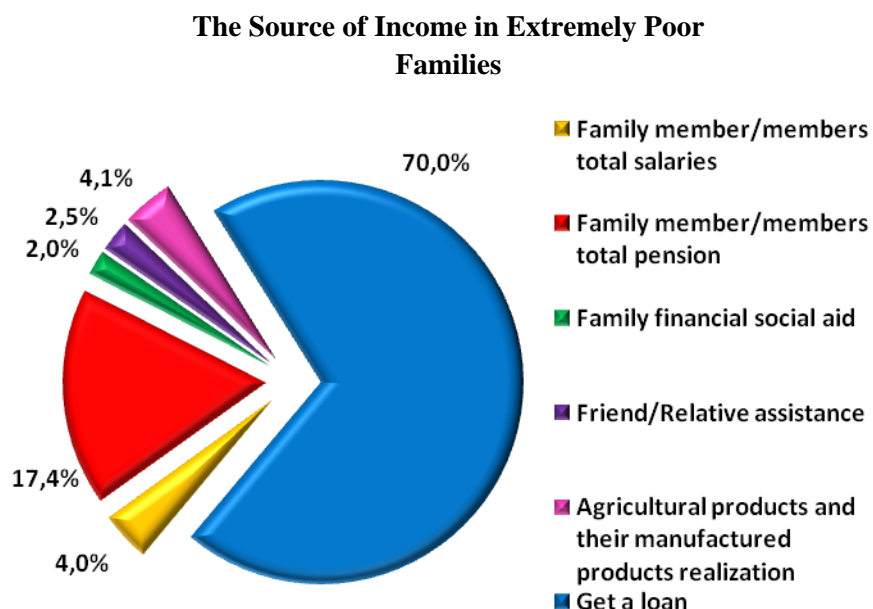
**Social Statuses of Interviewed Extremely Poor people**



Among the 300 interviewed poor families 512 persons were identified as capable to work and only 5,5% of them were employed. The income structure is almost similar between the poor families and

the families participating in the quantitative assessment though it should be mentioned that the percentage of the debt component is higher in the income of the poor families. 70% of the income received by the poor families comes from the debt component (Chart # 22).

Chart # 22



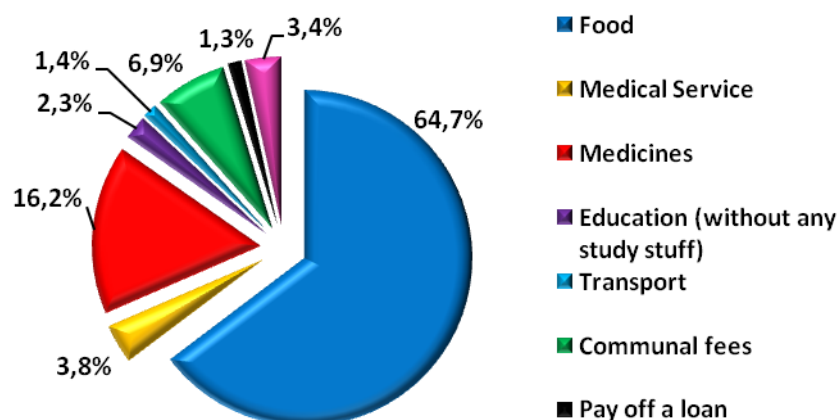
76, 7% of the poor families have to borrow money on a regular basis. The majority of the families claim that the main reason for running into debts is buying food in the food store. The majority of the poor

families are not able to define the timeframe for repaying the debts. Only 12, 3% of the families were identified as able to pay off a debt.

The main source for repayment is the income received by the family or further borrowing. The survey was also aimed at studying the structure of expenses of the poor families. The major part of expenses for the respondent poor families is purchase of food stuff whereas medicines and public utilities are next on this list. 82, 9% of the families interviewed spend on average GEL 32 to buy medicines whereas 41,1% of the families spend GEL 28 to cover utilities.

**Chart # 23**

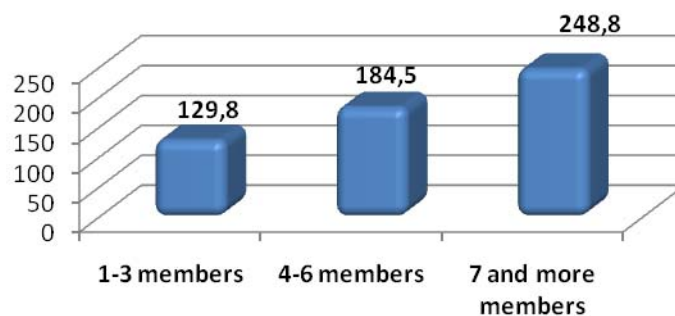
**The Structure of Expenditures in Extremely Poor families**



The expenses incurred by a family differ according to the number of the family members. On the whole, monthly expenses of a poor family average GEL 160, 9.

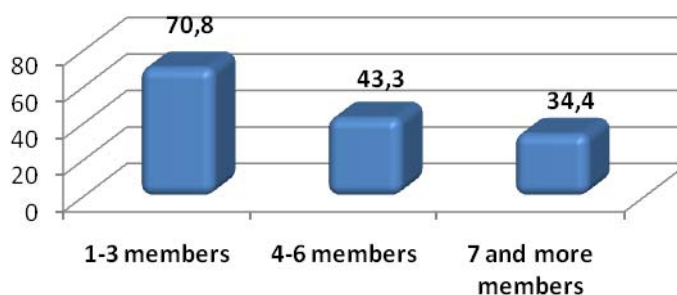
**Chart # 24**

**The Average Expenditures of the Families (GEL per Month)**



**Chart # 25**

**The Average Expenditures per one Family Member (GEL per Month)**



The respondent families live in extreme poverty; they can buy food at best. The majority of the interviewed poor families spend their money on food only. The poor families mostly buy wheat flour, margarine, oil, sugar, and salt.



Certain part of the respondent families is able to consume milk and milk products, maize, kidney bean, fruits and vegetables since the family keeps households. Very few of the respondents are able to consume meat and fish.

**Table # 9**

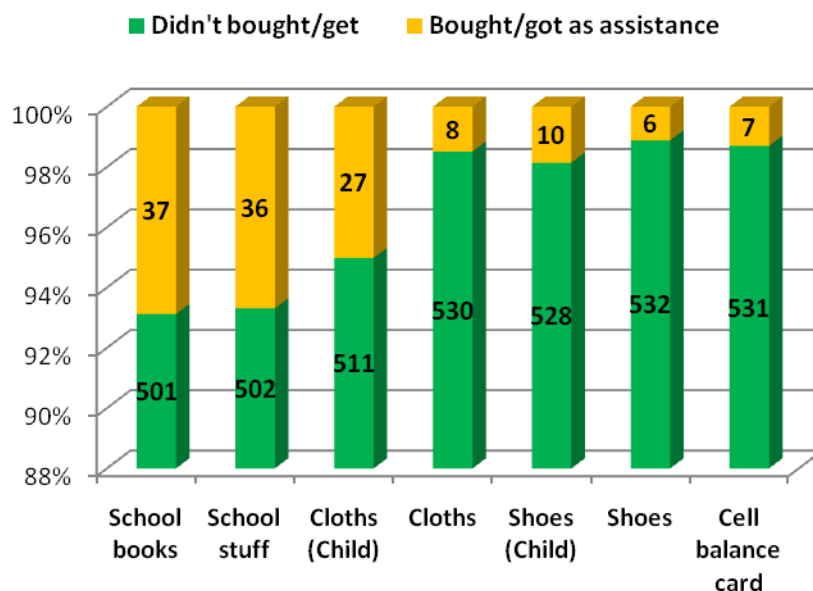
**Getting ways of consumed food production**

	<b>Product</b>	<b>Bought</b>	<b>Got from own enterprise</b>	<b>Haven't got</b>
1	Bread	40	2	250
2	Wheat flour/corn meal	264	148	150
3	Bean/pea/rice/buckwheat	188	136	246
4	Macaroni, vermicelli	140	0	150
5	Meat	6	18	266
6	Milk and dairy products	24	4	264
7	Egg	8	112	130
8	Margarine and oil	40	44	192
9	Fruits and Vegetables	312	12	250
10	Sugar and Salt	128	164	228
11	Coffee and tea	356	4	196
12	Cigarette	470	0	34
13	Daily consumption products (soap, shampoo, tooth paste, etc.)	674	4	968
14	Other Products	200	70	502

The consumer goods' consumption indicator is very low among the families that participated in the quantitative assessment. The poor families primarily use school items and books as well as the cell phone deposit cards.

**Chart # 26**

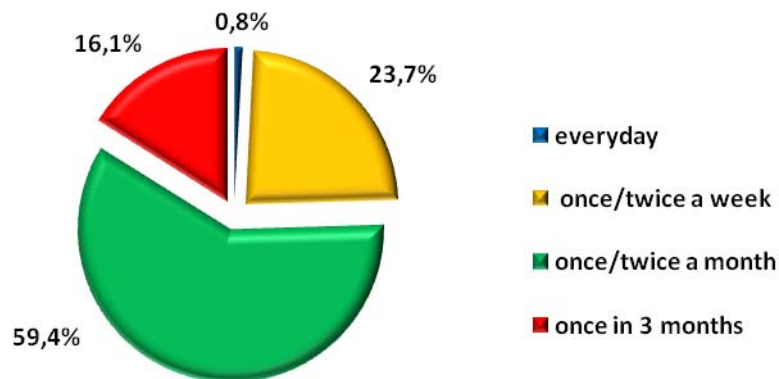
**Consumed products in interviewed families**



82, 9% of the interviewed families spend money on medicines. Their monthly expenditures on this item average GEL 32.

Chart # 27

### Frequency of consumed medicines in interviewed families



The majority of the poor families buy medicines once or twice a month. 17, 8% of the target families spend their money on medical care and the monthly expenses average GEL 36.

56% of the respondent families have obtained a medical insurance policy and 62, 5% of them used it. The majority of the families interviewed used the insurance policy once, on average.

The families interviewed have different opinion with regards to the social programs. 58, 2% of the poor families disapprove of the social programs or are dissatisfied with them whereas 14, 4% of the target audience positively assesses the program. The attitude of the 27, 4% of the respondents might be characterized as neutral.

The majority of the families interviewed within the framework of the survey assess their financial status as extremely unfavorable. Their income might only cover food stuff, at best. 89, 7% of the families interviewed state that their income might be characterized as completely insufficient and only 2, 7% of them can afford to buy clothes along with the food stuff.

Within the framework of the survey conducted, the interviewers assessed the living and social conditions of the target poor families. The majority of the respondent families have been assessed as living in poverty. These families can hardly afford to buy food to alleviate hunger. As to the living conditions, the interviewers assessed them as very hard and unfavorable.

**Chart # 28**

**Interviewer's assessment - the living conditions of Extremely Poor people**

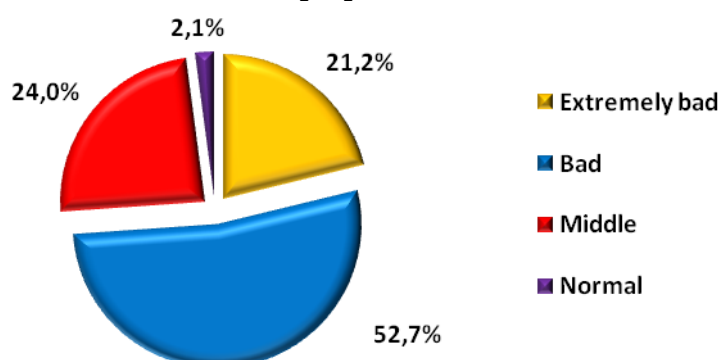
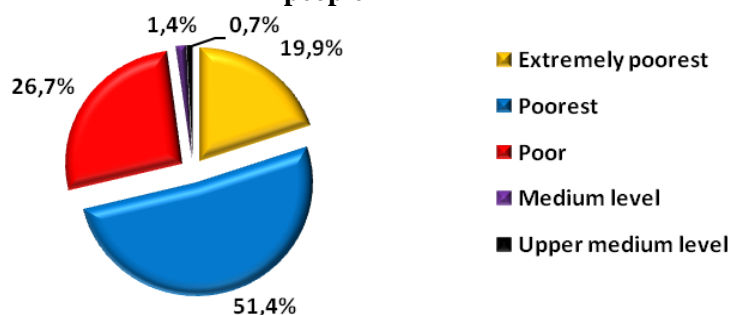


Chart # 29

### Interviewer's assessment – Social conditions of Extremely Poor people



As mentioned above, during the assessment of the poor families, the latter had to assess their own financial status and the interviewer had to assess the social status of the interviewed family. As a result, the majority of the families having claimed that their income is not sufficient for living or only covers the purchase of the food have been assessed by the interviewer as extremely poor or poor.

Table # 10

### Interviewer's and self- assessments in Extremely Poor families

Social Evaluation		The income isn't Enough	The Income is Enough only for food	Total
<b>Extremely Poorest</b>	Quantity	56	2	58
	Percentage	21,4	9,1	20,4
<b>Poorest</b>	Quantity	140	10	150
	Percentage	53,4	45,5	52,8
<b>Poor</b>	Quantity	66	10	76
	Percentage	25,2	45,5	26,8
<b>Total</b>	Quantity	262	22	284
	Percentage	100	100	100

### **Interesting cases revealed in Adjara region**

During the survey conducted in the Adjara region there were several interesting cases revealed, i.e. several cases of inaccuracy in the database of the local social subsidy agency. For example, there were several cases when the address of the target family was misinterpreted and the reason was that the family moved to some other place and did not inform the agency on the above. In addition, there were cases when by the time of the survey there was nobody left alive in one-member families.

The survey also revealed some families that no more receive the social assistance and they do not have any information on the reasons behind such a decision. There were several households that according to the rating score had been considered as eligible for social allowance though they had not received any allowance by the time of the survey.

The mentioned cases were brought to the attention of the representatives of the State Subsidy Agency and thoroughly discussed with them. The target families have been double-checked in the database of the agency. As a result, all the cases have been passed to the State Subsidy Agency to implement adequate measures. The report gives some cases revealed in Adjara region. To keep confidentiality, the report does not give any information or details on those families.

---

A single woman represents a one- member beneficiary family, who has leased one room of her apartment. The leased space is functioning as a shop. Therefore, the family has its income source. However, the family hides this source of income and gets the social allowance. According to the interviewer the social status of the family is normal.

---

A non-beneficiary six-member family consists of 4 capable of working members, one pensioner and one juvenile. The juvenile is sick and needs systematic health-care, which family cannot afford.

The above mentioned family does not possess the information about their rating scores, so they do not have certificate. The family explains that local agency informed them verbally about their high scores.

The family does not possess social allowance or health insurance policy. According to the interviewer, the family is extremely poor and needs health insurance.

---

A five-member family applied for social aid 3<sup>rd</sup> of March, 2006 and got rating score – 45630.

There are 2 able-bodied citizens (unemployed) and 3 juvenile in the household. One of the juveniles is sick and needs urgent health-care. As the interviewer found out, the family possessed medical insurance, but local hospital refused to help.

According to the agency information, the family is beneficiary, but the family has been checked for the second time but the results were not announced during the survey period. According to interviewer, the family is extremely poor.

---

A five-member family, where live 2 pensioners and 3 able-bodied citizens (unemployed). According to the agency information, the family should be receiving social allowance, but during the survey it has been found out that the family did not get the financial assistance.

The interviewer found out that the family has been refused to get financial assistance and they did not know the reason. There has been no change in the family, including demographic one. The family has



been informed in local agency, that “Tbilisi suspended financial assistance”. According to interviewer the family is extremely poor.

---

The rating score of the family is -53060 and, respectively, according to the agency data base it is a beneficiary.

During the survey the interviewer found out that the family had never got social financial assistance. When the family inquired local agency about the reason behind the refusal to allocate financial assistance, the family was informed that it had high rating score- 60140. However, they did not have the certificate of the scores. According to the interviewer the family is extremely poor.

---

Family is beneficiary, its rating score is 53330. The family applied for social assistance on 11<sup>th</sup> of December, 2006 and as a result it was receiving financial assistance during 3 months. After three months the family was refused to be allocated financial assistance without being informed about the reason.

The family went to the local agency for information. They were told that they got high rating score- 73210, despite the fact that this family has never been checked for the second time. The reason

according to which their rating score increased is unknown. According to the interviewer family is extremely poor.

---

Family is beneficiary, and its rating score is 51660 after the first check. Approximately after three months the family was checked for the second time and their rating score decreased even lower and amounted to 46810.

Therefore, the family got financial assistance till March 2007. From March 2007 the financial assistance was suspended. The family went to the agency and it was checked for the third time. After the third check the family got a new rating score- 48210. But family did not get social financial assistance.

According to the family, the agency informed that the reason of delay was not clear for them, because “Tbilisi suspended” the assistance.

After the visit to local agency the family was checked for the fourth time, and as a result on 21<sup>st</sup> January 2008 the household rating score became 84940. According to interviewer, the family is extremely poor.

---

The family is beneficiary, its rating score is 47860. The family got social financial assistance in 2006. After several months the financial assistance was suspended. Despite the fact that there has been no change in the family (either demographic, or income-based. No member of family works).

After two months from the suspension, the family got the social financial assistance again, but it was not compensated for the two-month-sum it did not receive. But the reason could not be found out. According to the interviewer the family is extremely poor.

---

A four-member family applied to the social allowance program in 2005, and it was evaluated. After several months, the family inquired its rating score and the rating score they needed to get social financial assistance.

The agency informed the family that they got good rating score and they will receive social financial assistance approximately after a month.

But the family did not get the certificate, and did not possess any information about its rating score. The family decided to ask the

agency for help for the second time. The Agency explained that the data of the family was lost and offered to apply once more. After the second assessment, family got high rating score – 79160. So family is non-beneficiary. According to interviewer the family is extremely poor.

---

A 72 year-old single pensioner woman represents the household. The family applied in 2005. As the woman explained the agent had not come to assess the family since the application was submitted and she had no certificate of the rating score.

After that, she addressed the local agency, where she was advised to apply for the second time. But the agent did not come even after second submission of the application.

The woman is single and according to interviewer extremely poor

---

The rating score of the family is 45950. The family applied for the social assistance program on 12<sup>th</sup> of July, 2006. During the survey it has been found out that the family never got social financial assistance. The interviewer found out that the family addressed the

local agency and was told that according to its rating score, the household was beneficiary and would get assistance.

But family did not get the assistance and after three months it addressed the local agency again. The Agency explained that the name of the village was written incorrectly in the application form and that was the reason of delay. The mistake was corrected.

A year passed but family did not receive the social financial assistance. According to the interviewer the family is extremely poor.

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The family rating score is 77720. The family applied in 2006. Because of the high rating score, the family addressed the local agency. The agency representative came to the family. He checked the family and took the rating score certificate with him. A year passed and the family did not get any answer. The regional agency did not return the certificate. According to the interviewer the family is extremely poor.

During the survey the family addressed Young Economists Association of Georgia to assist in checking and re-evaluating of the household. The letter was passed to the Social Subsidy Agency for further processing.

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A one-member family, a single 80 year-old pensioner applied for the social program on 24<sup>th</sup> of October, 2005. He got the certificate 1<sup>st</sup> of May, 2006. The family rating score is 38990.

Family was approved to be eligible for social financial assistance and was receiving it during three months. After three months the assistance was suspended, but the cause of suspension was not clear.

According to interviewer, the 80-year single person is disabled and has nobody to deliver the message to the local agency. According to the assessment of the interviewer, the family is extremely poor. Information about the person was passed to Social Subsidy Agency representative for further processing.

## This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and extend across the width of the page. There are no margins, text, or other markings on the paper.



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