

Programme for Developing Local Plans for Social Inclusion in Cataluña

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1. A brief assessment of the possible relevance of the 'Programme for Developing Local Plans for Social Inclusion in Cataluña' (including similarities and differences) to Latvia

Before accession to the EU in 2003 Latvia prepared a JIM (Joint Memoranda on Social Inclusion). After joining the EU in 2004 Latvia developed NAPincl (2004-2006, 2006-2008) and NSRSPSI (National Strategy Report on Social Protection and Social Inclusion 2008-2010).

Like in Spain also in Latvia there is no requirement to develop NAPincl at local level. During this period only some municipalities have developed plans for prevention of poverty and social exclusion but this was related to implementation of several international projects.

Until July 1, 2009 there were 26 district municipalities and 522 local governments but following the administrative territorial reform there were 118 municipalities established. As a result of the administrative territorial reform the administrative classification was changed from 3 (national, district and local) to 2 levels (national and local).

The policy defined at national level in social inclusion field outlines main activity trends, while the real actions in addressing poverty and social exclusion problems take place in local governments.

Although territorially and by the number of inhabitants Latvia is a small country though there exist substantial regional differences (classification in 5 planning regions) in the level of employment/unemployment, at-risk-of-poverty rate and other parameters. Taking into account these differences in Latvia the development of NAPincl at local level would be necessary since problems of people living in definite territories and risks of social exclusion are best known at municipal level.

2. A brief assessment of the potential transferability of the programme (as a whole or in part) to Latvia

Potential transferability of the programme under Latvian circumstances could not be possible. Though there are certain similarities and differences between Cataluña and Latvia:

- Like in Cataluña for social inclusion policy and regional development and municipal issues there are responsible various ministries and institutions. The Ministry of Regional Develop-

ment and Local Government is the leading institution in development and implementation of the state regional policy as well as of the coordination on implementation of the state support measures. The Minister of Regional Development and Local Government supervises operation of regions. While the Ministry of Welfare coordinates the social inclusion policy in Latvia;

- Similarly to Cataluña also in Latvia local governments are not imposed to develop local NAP-incl, they can prepare such plans following own initiatives and basing upon available financial and human resources;
- Like in the case of Cataluña, also in Latvia each municipality develops Employment plans thereby local governments have certain forerun and experience in development of multidimensional plans and involvement of stakeholders;
- The same as in Cataluña to make local NAP-incl plans compulsory changes in legislation are required. It means that currently the development of such a programme could have the status of a pilot project;
- Though the main obstacle is a lack of political will at the state level since up to now the fight against poverty has not been a real state policy priority. During years of economic growth it was believed that with the increase of people welfare will also reduce poverty. Therefore reduction of poverty was mainly related to increase of employment, insufficient attention paying to addressing the quality of employment and working poor problem, as well as other preventive poverty and social exclusion measures.
- During economic crises in Latvia (in addition to loan from international donors – European Community, International Monetary Fund, World Bank) the main focus is on reduction of budget deficit that to a great extent takes place on account of reduction of social budget expenditures. As politicians admit themselves until now the main crises burden have born directly people with medium and low income. High level of unemployment, substantial reduction of remuneration in both private and public sectors, reduction of benefits etc. have substantially deteriorated the situation of people. An amount of poor people (needy people) in Latvia during 2009 and 2010 has increased a lot. It imposes a major burden to municipalities focusing on work on people that are poor and socially excluded already but less power and possibilities are left for prevention of social exclusion. Besides already now the payment of state defined compulsory social assistance benefits for needy people (GMI and housing benefit) has been partly compensated from the state budget, loaning resources for this purpose from the World Bank.
- However, it is positive that there is a Social Inclusion Policy Coordination Committee at national level established (coordinating institution that only partly resembles ICASS in the case of Cataluña) that coordinates policy implementation on a country scale. In the Committee there are involved representatives from almost all ministries, as well as regional municipal development agencies and non-governmental organizations, Central Statistical Bureau, Parliament Commission on Social and Labour Affairs, Latvian Association of Local and Regional Governments, State Police, as well as social partners. This provides certain experience in coordination of social inclusion policy at national level linking it to needs of local governments.
- In order to develop and more relevantly to implement, monitor, evaluate and if necessary to rectify necessary measures in social inclusion field such coordination and support (training,

monitoring, technical support etc.) mechanism is substantial. In case of Latvia it would be relevant to assess the possibility to find or develop equal institution which will have the necessary capacity in terms of both financial resources and human resources in order to provide support to municipalities in successful implementation of a programme that would be complicated but important task. Besides in situation of Latvia at the local level stakeholders need training, distribution of best practice thereby implementing the empowerment of stakeholders (this especially relates to non-governmental organizations in municipalities as well as in work with people who experienced poverty and social exclusion), since many research reveal that understanding on social inclusion by representatives from local governments – parliamentarians, executives and social workers – is very diverse, from understanding social inclusion as simply distribution of benefits for poor people to realizing the multidimensional nature of this policy and the wide range of measures needed.

- Perhaps in the beginning it could be useful to establish this kind of support mechanism in Latvia where all local governments and other stakeholders (*who wants it?*) may acquire knowledge, skills and support in engaging in implementation of social inclusion policy at local level. This institution would need to have access to certain financial resources that could be provided to those local governments who would like to prepare NAPincl plans.

3. A note of any important questions about programmes/plans for social inclusion at local level that are being raised and debated in your country

The scope of problems for development of NAPincl in local governments until the administrative territorial reform was largely related to a huge amount of municipalities and major differences among municipalities (by the number of inhabitants, capacity – funding, human resources). At the state level and also in municipalities the view that social inclusion policy development and implementation is a task of the state and municipalities implement state policy on spot was supported to a large extent.

Another argument for not gaining support on NAPincl development at local governments is related to available funding. Discontent of local governments in Latvia is based on the fact that the state more and more tries (especially in crises situation) to hand over various functions to local governments but not providing financial resources for the implementation of these functions. Therefore there are concerns among municipalities that social inclusion policy tasks will be handed over to municipalities without necessary funding.

On the one hand, the completion of the administrative territorial reform (substantial reduction of municipalities, potentially larger capacity etc.) in future may facilitate the interest of local governments to develop social inclusion plans. Currently, exploration of the new situation, inventory of funding and human resources etc. takes place. Also previously the above mentioned problems related to burden of the economic crises in Latvia and possibilities for municipalities to cope with problems caused by crises (reduction of funding, austerity measures, dismissal of employees, reduction of wages, the high level of unemployment, emigration for labour opportunities in foreign countries etc.) limits capacity and possibilities for municipalities and other stakeholders to develop NAPincl plans.