



# **The institutional context of the transition from education to work in Azerbaijan**

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**TEW-CCA Working Paper No. 2.2**

Version 1.0

**DISCLAIMER:**

The authors gratefully acknowledge funding for the project “Opportunities and Barriers at the Transition from Education to Work-A Comparative Youth Study in Azerbaijan, Georgia and Tajikistan” (TEW-CCA) from the VolkswagenStiftung for the period 2015–2019; funding initiative “Between Europe and Orient”, call “Institutional change and social practice. Research on the political system, the economy and society in Central Asia and the Caucasus”.

TEW-CCA Working Papers are outputs from the TEW-CCA project aiming at the dissemination of research results of the TEW-CCA project. The series is edited by the project coordinator Prof. Michael Gebel from the University of Bamberg, Chair of Methods of Empirical Social Research.

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**SUGGESTED CITATION:**

**Rashidova, Aynur, Tair Faradov and Rajab Sattarov (2019). The institutional context of the transition from education to work in Azerbaijan. TEW-CCA Working Paper No. 2.2. Bamberg: TEW-CCA Project, University of Bamberg.**

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## List of abbreviations

ATUC	Azerbaijan Trade Unions Confederations
AZN	Azerbaijan Manat (national currency)
BA	Bachelor
EACEA	Education, Audiovisual and Culture Executive Agency
ECTS	European Credit Transfer and Accumulation System
GBE	General Basic Education
GSE	General Secondary Education
HEI	Higher Education Institution
ILO	International Labor Organisation
MA	Master
n.a.	Data not available
OSI	Open Society Institute
SSAC	State Students Admission Commission
SCFWCA	State Committee for Family, Women and Children's Affairs
TEW-CCA	Research project "Opportunities and Barriers at the Transition from Education to Work-A Comparative Youth Study in Azerbaijan, Georgia and Tajikistan" (funded by VolkswagenStiftung)
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
VET	Vocational Education and Training

## 1. Introduction

This working paper introduces the institutional context in Azerbaijan. It is part of a series of working papers describing the institutional context of countries in the Caucasus and Central Asia. It is based on research conducted in the project “Opportunities and Barriers at the Transition from Education to Work – A Comparative Youth Study in Azerbaijan, Georgia and Tajikistan” (TEW-CCA) that was financed by the VolkswagenStiftung in the period 2015–2019; funding initiative “Between Europe and Orient”, call “Institutional change and social practice. Research on the political system, the economy and society in Central Asia and the Caucasus”. The focus is on institutional conditions that are seen as relevant for youth transition from education to work and related youth transitions such as family formation (marriage and childbirth).

Chapter 2 of this report provides an overview of the education system in Azerbaijan. After giving a general overview on the structure of the education system (Section 2.1) conditions of preschool education are explained (Section 2.2). These institutional conditions are of great relevance for young parents as they define the opportunities of institutionalized care for young children. Section 2.3 discusses the main characteristics of general education, which is composed of primary education and secondary education. Section 2.4 provides an overview on the system of vocational education in Azerbaijan. Section 2.5 highlights the higher education system of Azerbaijan.

Chapter 3 of this report offers basic information on the labor market of Azerbaijan such as figures on labor force participation and unemployment (Section 3.1) and employment (Section 3.2). Section 3.3 discusses the issue of labor migration, which is of relevance for the Azerbaijanian society. Section 3.4 provides an overview on the labor code of Azerbaijan.

Chapter 4 of this report is devoted to the broad field of welfare regime. Basic characteristics of labor market policies (Section 4.1), unemployment benefits (Section 4.2), social aid granted to poor families (Section 4.3) and minimum wages (Section 4.4) are introduced. Section 4.5 is considering the family regimes in Azerbaijan. Chapter 4.5 gives a general overview on family policy in Azerbaijan.

## 2. The Education System

The modern education system of Azerbaijan can be characterized according to three historical periods: the first period lasted from 1918 to 1920 and represents the period of time when Azerbaijan Republic was independent for the first time (Samadova 2016). The next period from 1920 to 1990 is characterized by the rule by the Soviet Union during which the Azerbaijanian education system was identical to the Soviet Union education system. The third period is the period since becoming independent from the Soviet Union in 1991. Although the basic structure of the education systems has remained rather similar to Soviet times, major changes have taken place in the three decades since 1991 that are described in the following chapters.

### 2.1. The Structure of the Education System

Figure 1 provides an overview on the Azerbaijanian education system. It shows the basic structure of pre-primary, primary, secondary and post-secondary vocational and tertiary education in Azerbaijan. Moreover, the typical pathways are highlighted via arrows.

In Azerbaijan, there is a preschool education system that starts with nurseries for the first three years and it is followed by kindergarten that host children of age three to six. The Azerbaijanian pre-primary education is described in detail in Chapter 2.2.

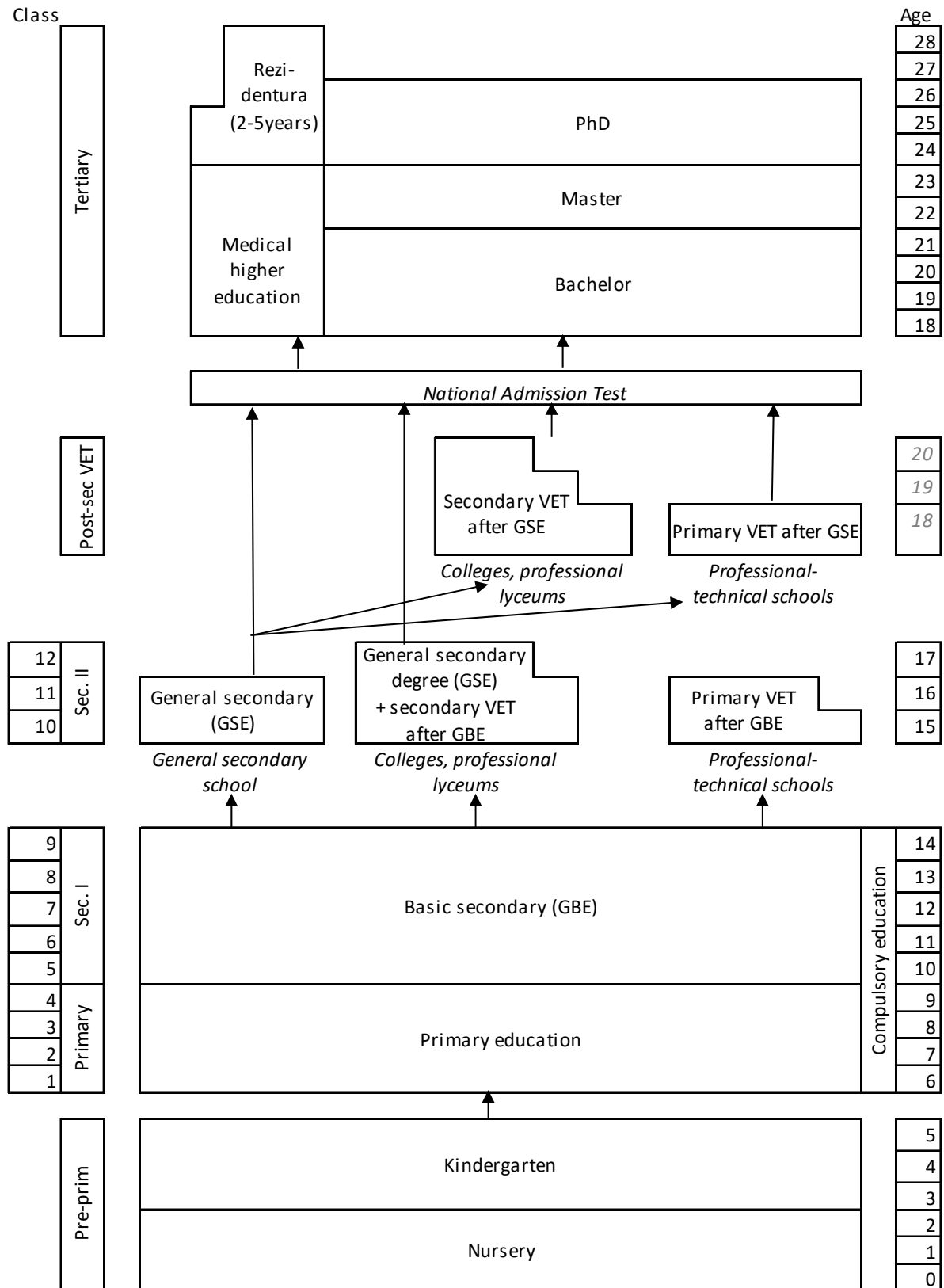
Education is mandatory for the Grades 1 to 9. The school system is divided into primary education (four years; ages 6–10), basic education (“lower secondary”) ending with General Basic Education (GBE – 9th grade) (5 years; ages 10–15) and secondary general education (“upper secondary”) ending with General Secondary Education (GSE –11th grade) (two to three years; ages 15–16/17). A detailed description of the general secondary in Azerbaijan is provided in Chapter 2.3.

Alternatively, there exists a vocational education and training (VET) system. Primary vocation education (initial professional education), operated at professional-technical schools, is either offered as a one year program after the GSE (giving access to tertiary education) or as one to two year program after BSE (without giving access to tertiary education). Specialized vocation education (secondary professional education), operated at colleges and professional lyceums, is either offered as two to three year programs that offer in parallel the GSE (giving access to tertiary education) or as one, two or three year programs after GSE (giving access to tertiary education). Chapter 2.4 offers more information on the VET system in Azerbaijan.

Passing the National Admission Test is one of the conditions to have access to tertiary education next to holding a GSE in Azerbaijan. Since 2005, when Azerbaijan joined the Bologna process, the university education system has been organized in a three-cycle degree system with Bachelor (BA), Master (MA) and Doctoral degrees. The only exception is medical higher education that is offered in a six-years one-cycle study program, which is again followed by a two to five year program of specialization called "Rezidentura". Chapter 2.5 provides more in-depth information on the Azerbaijanian university education system.

In the following, we will overview the system of education by taking a deeper look at each level of education and its change from the period of transition from socialism up to currently.

**Figure 1: The education system in Azerbaijan**



Source: Own illustration.

## 2.2. Preschool Education

Preschool education in Azerbaijan targets at children who are one to six years old. In Azerbaijan, preschool education is divided into two stages. Children up to the age of three receive education at infant houses (day nurseries) and children aged three to six attend kindergartens. The state executive governing body for preschool education is the Ministry of Education. The state standard of preschool education is approved by the government and is controlled by the Ministry of Education. There are both public and private preschool institutions. The public pre-schools are financed by local executive body, whereas private preschools are financed by founders and parental contributions. State pre-schools are free of charge for children. Private schools need to be paid by parents. Charges are set by the founders of private pre-schools.

The number of government kindergartens (even expensive private kindergartens) and free daycare groups in schools is low (ILO 2014). The number of pre-schools in Azerbaijan that aimed at newborn babies up to children of age three strongly declined in the early 1990s (ILO 2014). Recent figures on preschool education from 2016 (The State Statistical Committee of the Republic of Azerbaijan 2017) show that 1,722 public and private pre-school education institutions operate in country. The great majority (1,079) are day-nursery-kindergarten that host both pre-school for children aged two to three years as well as for children aged three up to six years. There are 631 kindergartens for the children aged three up to six years. A specific combination exists in four school-kindergartens, which are institutions that merge kindergarten (pre-school) and primary education (schools). Moreover, there are eight special kindergarten that offer special training for children to gain specific knowledge such as English language skills.

Privatization of pre-school institution was announced by the decree of the President of the Azerbaijan Republic in 2006. This partial privatization of the kindergarten was aimed at creating a sound competition and positive changes in the relevant field. Recent numbers show that 66 kindergartens, which constitute 3.8% of all pre-school educational institutions of the country, are private (The State Statistical Committee of the Republic of Azerbaijan 2017). Most of the private pre-school institutions are located in Baku city. For most families, private pre-schools or kindergarten are not accessible because of the monthly payment that cannot be afforded. The monthly cost of the private child care facilities is very expensive and in most cases even as high as the average monthly wage of a woman (ILO 2014).

Figure 2 provides basic trends in the enrolment rates in preschool education in Azerbaijan. In general the enrolment rate in preschool education is rather low reaching just around 10% in 2016. In the period from 2012 to 2016 we can observe a trend of reduction of the involvement of children up to six years in preschool education.

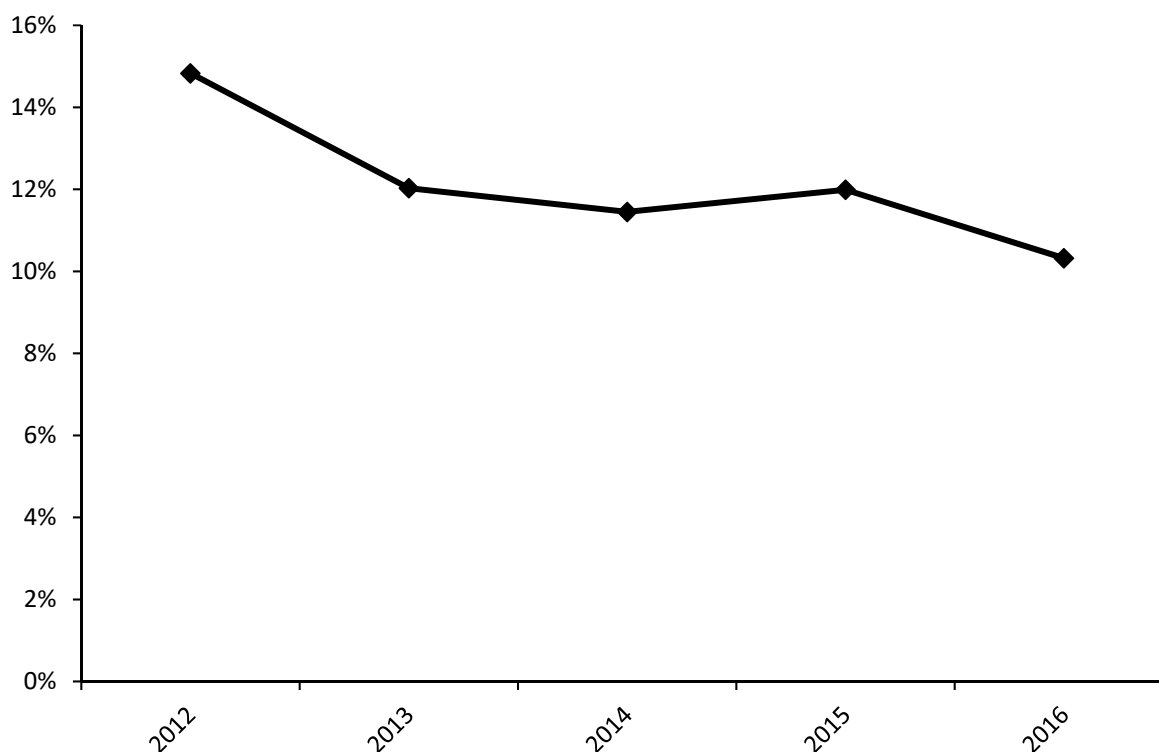
However, in absolute numbers there was an increase in the total amount involved children in the pre-school education, e.g. in 2012 it was 113,517 but in 2016 it was 117,239. This is due to the increase in the total number of children aged one to six because of the population growth in previous years.

Beginning in the 1990s the Ministry of Education has taken some joint actions with a number of international organizations (e.g. United Nations Children's Fund (UNICEF), United Nations Educational, Scientific and Cultural Organization (UNESCO), Open Society Institute (OSI) Azerbaijan, and World Food Program) aiming at improving learning methods at pre-school education and children's skill development.

Government bodies launched a series of reforms to further improve preschool education. For example, in 2007 the President approved the "Reforming Preschool Education" program for the period 2007–2010 with the aim of strengthening the material-technical equipment, and the management and administrative structures of preschool education. Moreover, a national curriculum on preschool education was set taking the world expertise in this field into account based on the involvement of international advisors. Within this program new preschool education got established and hundreds of existing ones were positively affected by the initiative.



**Figure 2. The enrolment rate of children (1 to 6yo) involved in pre-school education, 2012–2016**



Source: State Statistical Committee of the Republic of Azerbaijan (2017).

### 2.3. General Education

The First Law on Education was passed on 1991. According to the 1995 Constitution of Azerbaijan Republic there is the right of education, according to which every Azerbaijani citizen has a right of participating in education and the state has to offer free compulsory education, which covers the primary and lower secondary (GBE) education (Samadova 2016).

Following the Law on General Education and National Curriculum general secondary education starts at the age of six and consists of three levels in Azerbaijan:

- Primary education includes Grades 1 to 4. The major goal of primary education is to create and consolidate competences of reading, writing and counting of children, to provide them with superficial knowledge on humans, society and nature, to formulate their logic and creative reasoning, to teach them moral values, sensitivity and skills, and to differentiate intelligent children in their early years of study,
- Basic secondary education level includes Grades 5 to 9, and
- Secondary general education is provided at Grades 10 to 11.

Basic secondary education is compulsory, i.e. Grades 1 to 9 are mandatory to study. Students are not allowed to leave education before achieving the basic level of education.

According to the State Statistical Committee of the Republic of Azerbaijan (2017) there were 4,462 public day general educational institutions with 1,353,309 students and 23 private day general educational institutions with 8,348 students in Azerbaijan in the school year 2015–16 (see Table 1). Thus, the great majority of students in general education attends public schools. State schools are free

of charge for children. Private schools need to be paid by parents. Charges are set by the founders of private schools.

Educational institutions are defined as schools, represent either legal entities of public law or commercial or non-commercial entities of private law, which carry out educational activities in accordance with the national curriculum and include at least one level of general education. As can be seen in Table 1 the great majority of public general educational institutions offers the complete secondary education (3,299 institutions in 2015–16), whereas just about one fifth offers general secondary education up to grade 9 (809 institutions in 2015–16). This share is even higher among private general educational institutions. There are a few specific institutions operating at the secondary level but they play a very minor role in the general education system in Azerbaijan:

- Gymnasiums offer primary general, basic general and secondary general education in all subjects and they provide additional education in the humanities subjects.
- Lyceums offer basic and secondary education with a specific focus on technical or natural scientific subjects. They can also implement the primary education program.
- Moreover, there are a few special schools and boarding schools for children with limited health that cover both primary and secondary general education.

Table 1 also offers interesting insights into the time trends in the number of institutions and pupils in general education. As we can see from the table, the number of state schools did not significantly change compared to 2005. However, in terms of the absolute number of students in public day general educational institutions there was a decline in the first decade of the new millennium and afterwards the number stabilized. The number of private schools sharply increased from 12 in the period 2005–06 to 28 in the period 2013–14 and then slightly dropped again to 23 in the period 2015–16. Compared to 2005, the number of students enrolled in private schools increased by 65% in the period 2015–16.

**Table 1: State and non-state day general educational institutions, selected years**

	2000/01	2005/06	2010/11	2015/16
<b>State day general educational institutions</b>				
Total number	4548	4550	4532	4462
of which:				
primary	470	406	366	338
general secondary (9 grade)	922	885	855	809
completed secondary (10-11 grades)	3136	3238	3292	3299
of which:				
lyceums	33	63	76	95
gymnasiums	7	6	13	14
special/boarding schools for children with limited health	20	21	19	16
Number of pupils - total, person	1653703	1583628	1324564	1353309
<b>Non-state day general educational institutions</b>				
Total number	n.a.	12	17	23
of which:				
primary	n.a.	-	-	1
general secondary (9 grade)	n.a.	-	3	2
completed secondary (10-11 grades)	n.a.	12	14	20
of which:				
lyceums	n.a.	12	14	10
gymnasiums	n.a.	-	-	-
Number of pupils - total, person	n.a.	5049	6441	8348

Source: State Statistical Committee of the Republic of Azerbaijan (2017).

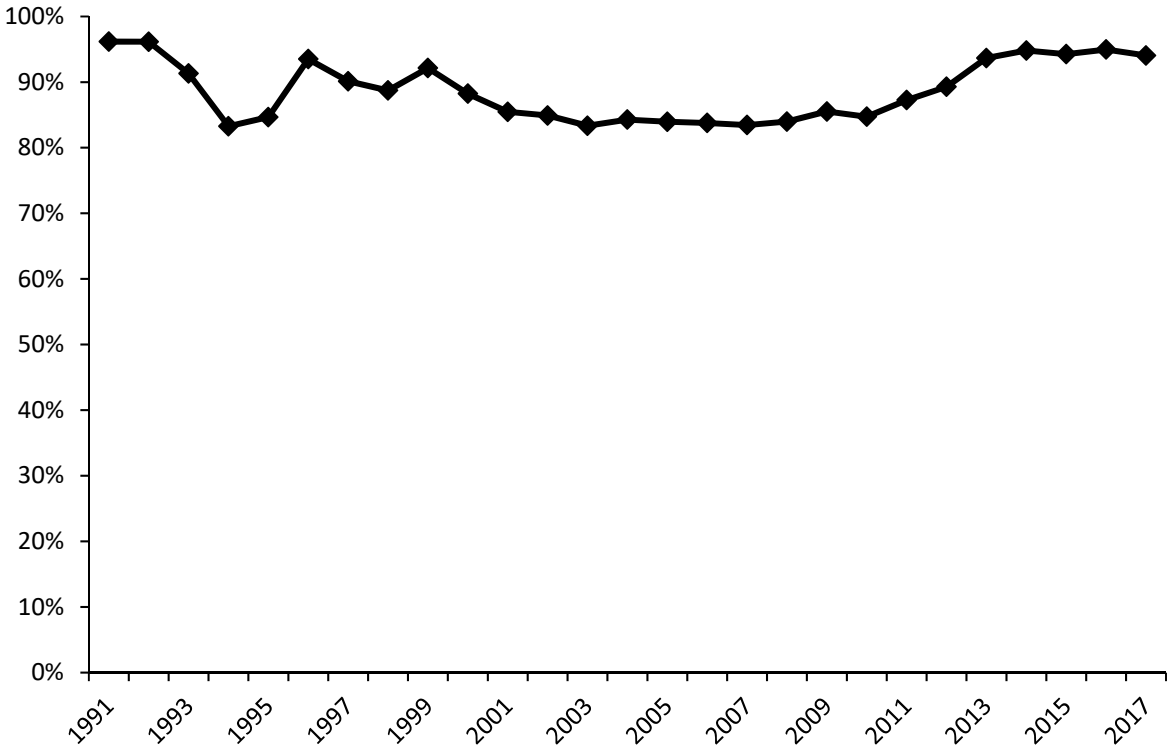
The Ministry of Education of the Republic of Azerbaijan has been collaborating with the World Bank on education since 1999. The Ministry of Education in cooperation with the World Bank developed a concept and strategy on pedagogical education and teacher training in the framework of the “Education Sector Development Project” that was approved as a concept paper in 2007 (Samadova 2016). In this context several reforms of pedagogical training were carried out, also with the aim to combat the lack of teaching staff at comprehensive schools of Azerbaijan, to build up new high quality training centers and intensifying the collaboration with local and foreign firms (Samadova 2016).

Another important program was the “Support to Education Program” in the period 2005 to 2012, in which about 400 schools were built or renovated and equipped with own heating systems, up-to-date laboratories, libraries, cafeterias, state-of-the-art computer classes, workshops, gyms and playgrounds (Samadova 2016).

**2.3.1. Primary and Lower Secondary Education**

Figure 3 presents time series data on the net enrolment rate in primary education in Azerbaijan. The enrolment rate reached already 96% in the year of independence in 1991. Afterwards there was a drop in the enrolment rate in 1991 to 1994 during the time of Nagorno-Karabakh war. Then, the enrolment rate quickly increased again to the previous levels. While there was another decline in the following years reaching a minimum of 83% there was a continuous increase in enrolment rates reaching again 94% in 2017. Gender-specific analyses (not shown) reveal that net enrolment rates in primary education are almost the same for boys and girls.

**Figure 3. Adjusted net enrolment rate, primary (% of primary school age children), 1991–2017**



Source: World Bank (2019).

Tutoring is highly spread in primary and basic secondary education starting 1990s. Based on research conducted by Open Society Institute (2006), the majority (61.8%) of the surveyed students took private

tutoring lessons (57.1%) or tutoring courses (4.2%) next to the formal education in school. This is in line with findings from a survey conducted by the State Statistical Committee of the Republic of Azerbaijan (2002) that shows that 56.3 of students got private tutoring. The great majority (93%) of them started private tutoring in secondary schools already, with 55% of students starting hiring tutors from grade 10 and 38% from grade 11. A small group of students used private tutoring at earlier stages. For example, 5% of students reported private tutoring in grade 9, 1.5% of students reported private tutoring in primary school (grades 5–8), and 0.7% of students reported private tutoring in elementary school (grades 1–4). Hence, the share of students receiving private tutoring increases with the grade the pupil attends.

### 2.3.2. Secondary General Education (Grades 10–11)

Secondary education is of two years duration covering Grades 10 and 11. It is offered by state day education institutions free-of-charge and non-state day general educational institutions that are charging fees that need to be paid by the parents. Secondary education is mainly provided by complete full secondary schools but also a few lyceums and gymnasiums operate it. During the two years of secondary general education (Grades 10–11) students may choose a specialization. Every student has to choose one of these three available specialization (technical, humanitarian or natural subject) and the curriculum is adjusted according to the chosen field of specialization. Students are also expected to study one or more foreign languages. Similarly to the General Basic Education (GBE, 9<sup>th</sup> Grade) final exam, a final examination takes place at the end. After successful performance the students get the General Secondary Education (GSE, 11<sup>th</sup> grade), which is a state certificate of education that qualifies for further studies in tertiary education.

In Table 2 we can see the net enrolment rate in upper secondary education for males and females for the period 2007 to 2014. During this period a general increase in enrolment rates can be observed. There is only a small gender inequality in terms of the enrolment rate for boys surpassing the one for women by two to three percentage points.

**Table 2. Net enrolment rate for upper secondary education**

	Net enrolment rate, upper secondary, both sexes (%)	Net enrolment rate, upper secondary, female (%)	Net enrolment rate, upper secondary, male (%)
2007	71.5	69.8	73.2
2008	72.9	72.4	73.4
2009	73.6	76.9	70.4
2010	73.0	72.6	73.5
2011	73.4	72.9	73.9
2012	76.5	75.7	77.2
2013	80.3	n.a.	n.a.
2014	77.0	n.a.	n.a.

Source: World Bank (2017).

As described in Chapter 2.3.1 the majority of students begin to receive private tutoring at secondary general education level (Grades 10–11). This can also be brought into connection with the high-stakes testing, i.e., the pressure to perform well in the centralized university entrance examinations. Private tutoring is widespread in secondary schools across Azerbaijan, as explained before, but also in preparation of the admission tests for tertiary education. According to the Open Society Institute (2006) about 90% of all students reported that they used private tutoring in order to prepare for university entrance exams. This high share of private tutoring in preparation of tertiary education

entrance exams is visible both among graduates from urban and rural schools. For example, 91.4% of students from Baku and 90.5% of students from rural areas used private tutoring in preparation.

## 2.4. Vocation Education

The Vocational Education and Training (VET) system in Azerbaijan is divided into two levels:

- primary VET: initial professional education in professional-technical schools, and,
- specialized VET: secondary professional education in technikum, college or professional lyceum.

At the initial professional education level, 113 state institutions are operating in terms of professional-technical school (see Table 3). They are all public and no private education institution is existing at the initial professional education level. At the secondary professional education level there are 60 state and one private VET institution (see Table 3). Thus, the VET system in Azerbaijan is operated with only one exception in public institutions.

**Table 3. Primary and specialized VET, number of education institutions and students, selected years**

	2001	2006	2011	2016
<b>Primary VET</b>				
Number of educational institutions	110	107	109	113
Number of students	22944	22189	27330	24482
<b>State specialized VET</b>				
Number of educational institutions	68	56	58	60
Number of students	41173	55028	51681	53564
<b>Non-state specialized VET</b>				
Number of educational institutions	3	4	4	1
Number of students	1439	2868	1770	2863

Source: State Statistical Committee of the Republic of Azerbaijan (2017).

The VET institution offer the following types of training programs:

Primary vocation institutions (initial professional education):

- 1-year program of vocational education after the General Secondary Education (GSE – 11th grade). Graduates may continue their education at tertiary level.
- 1 or 2-year program of vocational education after the Basic Secondary Education (GBE – 9th grade) without giving completed secondary education. That is, graduates are not allowed to continue their education at tertiary level because they are lacking the completed secondary education degree.

Specialized vocation institutions (secondary professional education):

- 2 or 3-years integrated program of vocational and general secondary education after the basic secondary education (GBE– 9th grade) giving a completed secondary education degree that allows graduates to continue their education at tertiary level.
- 1, 2 or 3-years program of vocational education after secondary general education (GSE –11th grade). Graduates may continue their education at tertiary level.

Table 4 shows that in 2016 just 13% of primary VET students (3,112 out of 24,482) were enrolled in professional-technical schools that do not offer a completed secondary education degree in addition that allows graduates to continue their education at tertiary level. Upon completion, these students are getting a certificate of specialization. The majority of primary VET students (54% – 13,131 out of 24,482) enter a professional-technical school after completing basic secondary education (GBE– 9th

grade) that offers a completed secondary education degree in addition. In group size this is followed by 20% of primary VET students (5,008 out of 24,482) who first complete secondary education (GSE – 11th grade) and then go to a professional-technical schools. In addition a few primary VET students are enrolled in vocational schools of correctional institutions of the Ministry of Justice and vocational schools for special government tasks. Interestingly, there is a small but increasing share of students enrolled in primary VET work-based training institutions on paid base.

**Table 4. Students of primary VET (at the beginning of the year), by type of institution, 2001–2016, selected years**

	2001	2006	2011	2016
Number of students, person	22944	22189	27330	24482
of which				
on the base of completed secondary education (GSE –11th grade)	5151	4134	5384	5008
on the base of basic secondary education (GBE– 9th grade)	13121	13463	15103	13131
VET institutions not giving completed secondary education	3637	3431	4836	3112
vocational schools of correctional institutions of the Ministry of Justice	690	1019	314	1020
vocational schools for special government tasks	16	25	22	4
work-based training institutions on paid base	329	117	1671	2207

Source: State Statistical Committee of the Republic of Azerbaijan (2017).

Table 5 reports the total number of female and male students and the share of female students at state and non-state specialized secondary education (secondary professional education) institutions in the period 2001 to 2016. Over time the number of students enrolled in secondary professional education increased significantly both for men and for women. There are much more women enrolled in secondary professional education than men. The share of women varies between 66% and 70% during the observation period.

**Table 5. Number of students of state specialized secondary educational institutions, by gender, selected years**

	2001	2006	2011	2016
Number of students	42612	57896	53451	56427
Number of male students	12853	17481	18069	18797
Number of female students	29759	40415	35382	37630
% women	70%	70%	66%	67%

Source: State Statistical Committee of the Republic of Azerbaijan (2017).

Each state specialized secondary educational institutions often has one or two specializations, that is, when choosing an institution, the student chooses the specialization in which he or she wants to study. Table 6 offers an overview on the specializations chosen by students enrolled in state and non-state specialized secondary educational institutions. The National Classification of Education is applied in order to group the specializations. The dominant specializations are education (32.5%), followed by technical and technological fields (22.5%) and economics and management (16.9%).

**Table 6. Distribution of chosen specializations among enrolled students at state and non-state specialized secondary educational institutions, at the beginning of school year 2016**

	%
Education	32.5
Humanitarian and social	1.3
Culture and art	10.1
Economics and management	16.9
Technical and technological	22.5
Agriculture	1.8
Health, welfare and services	14.8

Source: State Statistical Committee of the Republic of Azerbaijan (2017).

Statistical information regarding funding of education in state specialized secondary education institutions is provided in Table 7. In 2016, more than a half of students were paying themselves for education. The rest of the students were receiving state grants and, thus, they studied free of any charge for education. Over time the share of contract-based (fee-paying) students substantially increased. It almost doubled in the period 2001 to 2016.

**Table 7. Number and share of students of state specialized secondary educational institutions educated by contract, i.e. paying fees (at the beginning of school year)**

	2001	2006	2011	2016
Number of contract-based (fee-paying) students	11162	20442	21644	29702
Share of contract-based (fee-paying) students	27.1%	37.1%	41.9%	55.5%

Source: State Statistical Committee of the Republic of Azerbaijan (2017).

There are three types of the organization of VET in primary and secondary professional education:

- School-based VET: In such educational institutions professional skills are obtained directly in classroom teaching in the educational institutions. In this case, more time is devoted to theory than to practice.
- Workplace-based VET: In such educational institutions professional skills are obtained directly at the workplace in the enterprise. In this setting more time is devoted to practice than theory. This is often organized in the way that the first year of VET training is focused on theory but still contains practical work experiences, whereas the second year of VET training is devoted only to practical work.
- Dual VET: A combination of school and workplace-based training. In such educational institutions professional skills are obtained both at the workplace and classrooms. Thus, learning time is devoted both to practice than theory.

Due to the rather weak ties with enterprises the VET system of Azerbaijan is mainly school-based (ETF 2019). This applies particularly to the secondary professional level (ETF 2015).

Most of primary and specialized vocational education institutions have been under the jurisdiction of the Ministry of Education. Just few of them are under different jurisdiction:

- One of VET institutions under the jurisdiction of the Ministry of Culture and Tourism of the Republic of Azerbaijan,
- 11 VET institutions under jurisdiction the Ministry of Health of Azerbaijan Republic,
- one VET institutions under the jurisdiction of the Cooperative Societies Union, and

- one VET institutions under the jurisdiction of the Closed Joint Stock Company of the Azerbaijan State Caspian Sea Shipping Company.

According to UNESCO (2013) the VET system has been improved by upgrading the regulative and legal framework, improving the network of educational institutions, and training competitive, highly specialized professionals that meet the requirements of the market-based economy and labor market. Hence, the content of the vocational and professional education has been partially improved, a new classification system enforced, new training specialties added according to the demands of modern technologies.

In this respect the government approved the “State Program on the Development of Vocational Education (2007-2012)” that aimed at the improvement of the material-technical, managerial and pedagogical basis as well as upgrading the public perception of VET. There is a close collaboration with international organization on the development of vocational education such as the European Training Foundation (ETF), the International Labor Office (ILO), the United Nations Educational, Scientific and Cultural Organization (UNESCO), or the World Bank.

## **2.5. Tertiary Education**

During socialist time Azerbaijan followed the centralized Soviet system, in which studies and degrees were organized in the following way. The Specialist was the most common academic qualification under the Soviet higher education system. It required four to six years of study depending on the field of study. The Kandidat Nauk conducted at research institutes under the Academy of Science and the Doktor Nauk were the highest academic degrees in the Soviet system taking a study duration of five to 15 years.

Since gaining independence in 1991, the government of the Republic of Azerbaijan promoted higher education, which resulted in an increase in the number of tertiary institutions and students. Next to a strong public state sector of higher education a private higher education sector got established. Privatization was accompanied by marketization, as public HEIs started to offer tuition-based study places.

Azerbaijan has aimed at an integration into the European higher education space, for example, by joining the Bologna process in 2005 (Samadova 2016). Azerbaijan took already steps towards a structured higher education system before joining the Bologna process by introducing elements of a two-cycle higher education system. Already at the beginning of the 1990s, many universities introduced a Bachelor (BA) – Master (MA) structure of their programs (Samadova 2016). Building on this pre-Bologna reform steps the two-cycle system were extended towards a three-cycle education system that harmoniously integrated the doctoral (PhD) level (Samadova 2016). In addition, the European Credit Transfer and Accumulation System (ECTS) credit system in higher education was introduced. In a first stage some experimental trials on the ECTS system were conducted in ten universities in 2006–2007 and got extended to the whole tertiary education system in Azerbaijan during the next years (Samadova 2016).

Tertiary education is offered by universities, academies and institutes in Azerbaijan (EACEA 2019). These higher education institutions (HEI) implement basically the three following types of training programs:

- 4-year bachelor program after the GSE (11 grade),
- 2-year magister program after the Bachelor (BA), and
- 3-year PhD program after the Master (MA).

In the field of medical higher education there still exists a one-cycle study program of six years duration, which is again followed by a two to five year program of specialization called "Rezidentura".



Table 8 shows that there were 43 public HEI and 13 private HEI in Azerbaijan in 2016, i.e. 22% of HEI were private. In terms of number of students the share of students at private HEI is just 13% in 2016, which reveals that the public HEI are on average larger in their size. Over time there was an increase in the number of public HEI, while the number of private HEI declined. This is also reflected in terms of the absolute number of students that substantially increased in public HEI but declined in private HEI.

**Table 8. Number of institutions, students and study arrangements at state and non-state higher education institutions (at the beginning of the school year), selected years**

	2001	2006	2011	2016
<b>State higher educational institutions</b>				
Number of institutions	29	32	36	41
Total number of students	91019	105997	120488	140642
of which				
Day school	74749	80510	96186	125019
Evening school/by correspondence	16270	25487	24302	15623
Number of students admitted to Bachelor:	20498	23314	26655	30279
of which				
Day school	17616	19577	23275	28824
Evening school/by correspondence	2882	3737	3380	1455
Number of students admitted to Master:	2417	3103	3320	4386
of which				
Day school	2417	2223	2349	4386
Evening school/by correspondence	n.a.	880	971	n.a.
<b>Non-state higher educational institutions</b>				
Number of institutions	18	15	15	13
Total number of students	28664	23951	19753	20592
of which				
Day school	21477	16477	16748	19520
Evening school/by correspondence	7187	7474	3005	1072
Number of students admitted to Bachelor:	5905	5433	3249	3366
of which				
Day school	4839	4708	3144	3357
Evening school/by correspondence	1066	725	105	9
Number of students admitted to Master:	335	133	378	567
of which				
Day school	335	116	330	567
Evening school/by correspondence	n.a.	17	48	n.a.

Source: Source: State Statistical Committee of the Republic of Azerbaijan (2017).

Regarding study arrangement there is the possibility to do tertiary studies by correspondence. In 2016 about 10% of all students at HEI were enrolled as students in correspondence. Table 8 also shows the specific pattern that the Master studies are rather exclusive in Azerbaijan. Among the newly admitted students 33,645 (30,279 at public HEI + 3,366 at private HEI) enrolled into Bachelor programs and only 4,953 (4,386 at public HEI + 567 at private HEI) enrolled into Master programs.

Some statistical information regarding percentage of enrolments of state and non-state high education institutions by group of specializations is provided in Table 9. There are three rather equally dominant

specialization, each attracting about one quarter of students: education (25%), economics and management (23%) and technical and technological fields (22%).

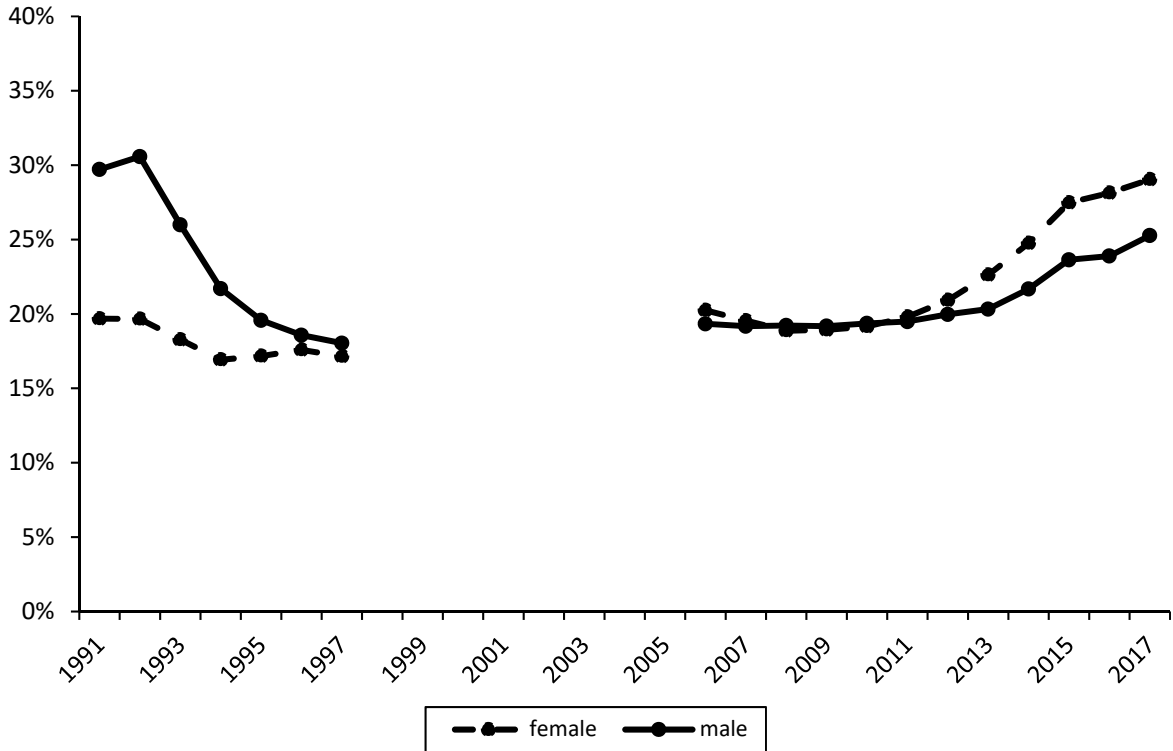
**Table 9. Distribution of chosen specializations among enrolled students at state and non-state higher educational institutions, at the beginning of school year 2016**

	%
Education	25
Humanitarian and social	12
Culture and art	3
Economics and management	23
Natural sciences	5
Technical and technological	22
Agriculture	1
Health, welfare and services	8

Source: Source: State Statistical Committee of the Republic of Azerbaijan (2017).

Figure 4 displays time trends in gross enrolment rates in tertiary education in Azerbaijan in the period 1991 to 2017. In the year of gaining independence, in 1991, the gross enrolment rate in tertiary education was rather high, 29.7% for men and 19.7% for women. At the beginning of the 1990s the enrolment rate declined. From 2006 onwards, when time series data are available again from UNESCO (2019), there is a surge in the enrolment rate again from 19.8% in 2006 to 27.1% in 2017 for men and from 20.2% in 2006 to 29.0% in 2017 for women. Thus, over time the gender gap in tertiary education gross enrolment rates reversed. Nowadays, women slightly surpass men in higher education enrolment rates in Azerbaijan.

**Figure 4. Gross enrolment rate at tertiary education, 1991–2017, by sex**



Source: UNESCO (2019). Own illustration.

Table 10 shows time trends in the funding of education in high education institutions in Azerbaijan for the period 2001 to 2016. There are both state-budgeted students who study free of charge at HEI as they receive grants and students who have to pay tuition fees to study at HEI in Azerbaijan. In 2016, 61.0% of the total quantity of students were paying themselves for education. Interestingly, there was a strong increase in the share of tuition-paying students from 45.4% in 2001 to 61.0% in 2016.

**Table 10. Share of students of state higher educational institutions educated by contract, i.e. paying fees (at the beginning of school year)**

	2001	2006	2011	2016
Share of contract-based (fee-paying) students	45.4%	52.4%	57.3%	61.0%

Source: State Statistical Committee of the Republic of Azerbaijan (2017).

Since 2003, for admission to the first stage of higher education, i.e. BA programs, graduate from completed secondary education must register online at the State Students Admission Commission (SSAC) of the Republic of Azerbaijan and participate in a centralized exam. This National Admission Test is conducted on the basis of tests on the main areas of knowledge (mathematics, foreign language, native language, chemistry, biology, geography etc.). The number of examination subjects may vary, depending on the selected direction of future study.

The maximum score that can be reached in this exam is 700 points. In order to be eligible to participate in the competition for BA study places one must score above 250 points. As a result, students in higher education institutions are considered to be those persons, who scored higher points in the competition, e.g. if there is one last free study place and two candidates with 400 points (Candidate A) and 500 points (Candidate B) compete, just Candidate B gets to university and Candidate A not.

Table 11 shows the score distribution (in points) in the national admission test of undergraduate (BA) admission applicants at universities in the academic year 2014/15. Test scores of applicants to the Russian sector are on average higher than the test scores of applicants to the Azerbaijani sector.

**Table 11. Score distribution (in points) in the National Admission Test of undergraduate (BA) admission applicants at universities, academic year 2014/15**

	For Azerbaijani sector		For Russian sector	
	Male applicants	Female applicants	Male applicants	Female applicants
0–100 points	44%	33%	24%	20%
100–200 points	21%	23%	25%	27%
200–300 points	14%	16%	21%	20%
300–500 points	15%	20%	23%	24%
500–700 points	7%	8%	8%	8%

Source: State Examination Center of the Republic of Azerbaijan (2015).

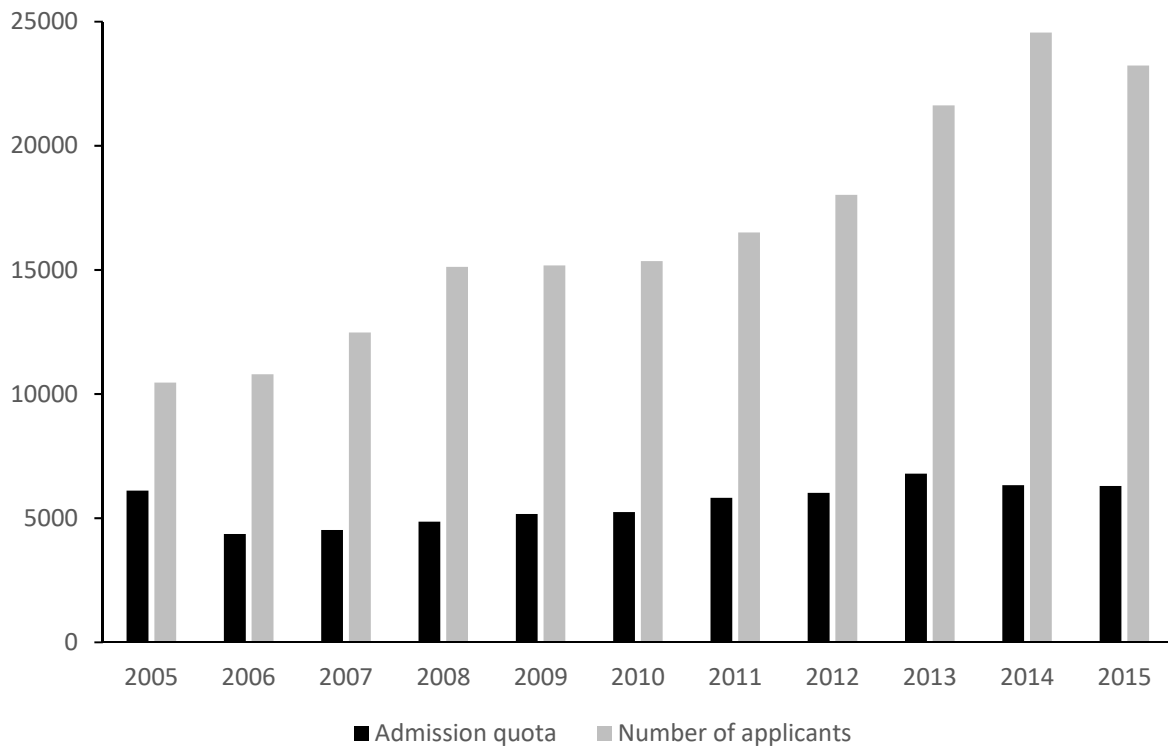
Being the second level of higher education, the Master's degree occupies a special place in training of specialists. Master (MA) programs are grouped into 59 majors. MA programs offered by public and private universities and study places are either state-budgeted (i.e. tuition-free) or students have to pay a fee following the respective decree of Azerbaijani President "On Application of the New Finance Mechanism within the Higher Education Institutions" (State Examination Center of the Republic of Azerbaijan 2014).

The SSAC provides detailed information on rules of admission, application deadlines, guidance in the selection of majors, samples of test items, individual results and passing scores to the BA degree holder who want to do a MA (State Examination Center of the Republic of Azerbaijan 2014). After registering

online, the candidates participate in a two-phased paper-based examination. First, the logical thinking (quantitative, spatial and verbal reasoning) is tested and after successfully passing this first stage, the specializations of the applicants in the chosen major is assessed. The final grade received after finishing the Bachelor degree is only recorded during the registration and application admission process, but it does not matter at all.

Figure 5 shows the increasing competition and strict selection process for graduate (MA) education in Azerbaijan. While the number of admitted students in MA programs remained rather stable, fluctuating between 5,000 and 7,000 students in the period 2005 to 2014, the number of applicants surged from 10,461 in 2005 to 24,560 in 2014.

**Figure 5. Admission quota and applications' graduate education, 2005–2015**



Source: State Examination Center of the Republic of Azerbaijan (2015). Own illustration.

There were also strong efforts towards the internationalization. For example, within the general strategy to convert oil capital into human capital, the country's President Ilham Aliyev initiated a state program in the period 2007–2015 that supports young Azerbaijani to study at leading universities abroad in countries such as Australia, South Korea, China, Malaysia, Singapore, the U.S., Germany, France, the Netherlands, Norway, Sweden, Finland, Italy, Belgium and Great Britain (Samadova 2016). The funding of the program was provided by the State Oil Fund. Overall, more than 3000 Azerbaijani students could participate in this program in the period 2007–2015 and a new program for the 2015–2020 followed up (Samadova 2016).

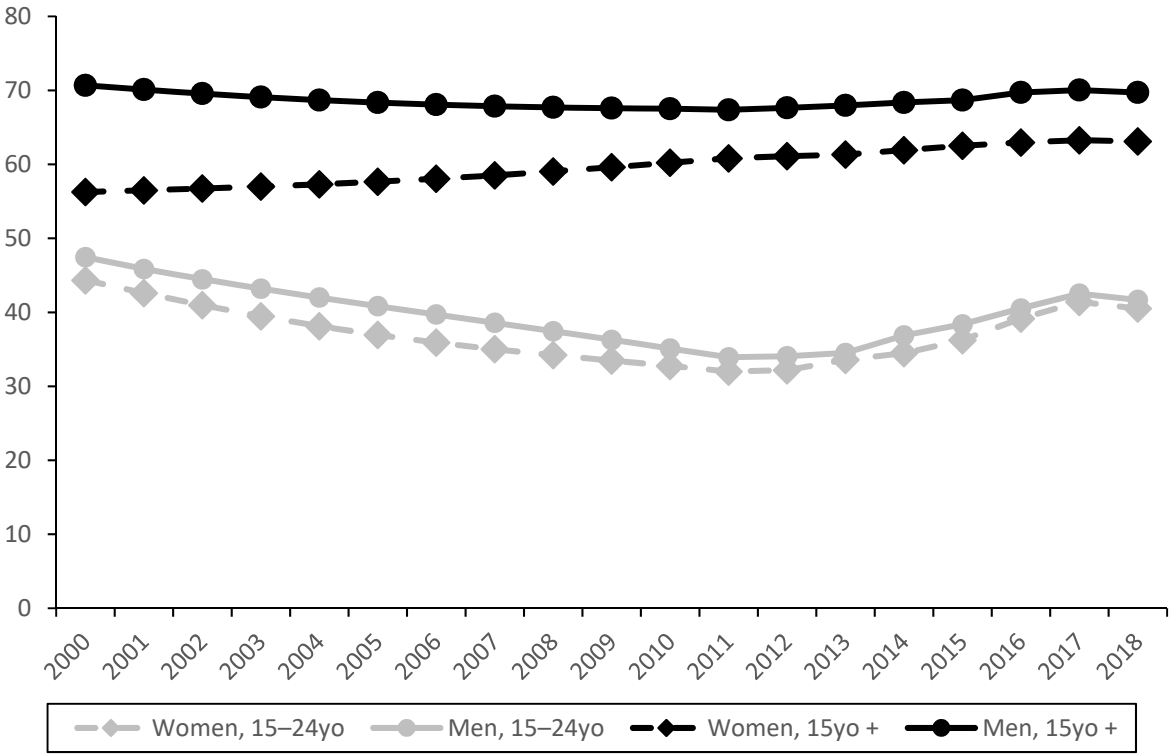
### 3. Labor Market System

#### 3.1. Labor Force Participation and Unemployment

The Azerbaijani labor market has undergone major changes during the last three decades of economic changes and reorganization, registering both periods of growth and declines. Figure 6 shows trends in labor force participation rates in Azerbaijan in the new millennium for different age and gender groups. For both age groups (15 to 24yo and above 15yo) female’s labor force participation rate was below male’s labor force participation rate over the period from 2000 to 2018. Hence, women participate less in the labor market than men in Azerbaijan. The gender gap in labor force participation is more pronounced among the whole working age population than among the youth.

In a comparison of the population of men and women aged 15 and above in 2018, 67% of men are economically active in contrast to only 63% of women. The gender gap declined during the observation period 2000 to 2018 because it was originally 15 percentage points (women: 56%, men: 71%) in 2000 and just 4 percentage points in 2018. Hence, women are catching up in terms of labor force engagement, which can be seen by the strong increase in female labor force participation rate, while at the same time, the male labor force participation rate remained at a rather high level.

**Figure 6. Labor force participation rate, modeled ILO estimates, by gender and age group, in %**

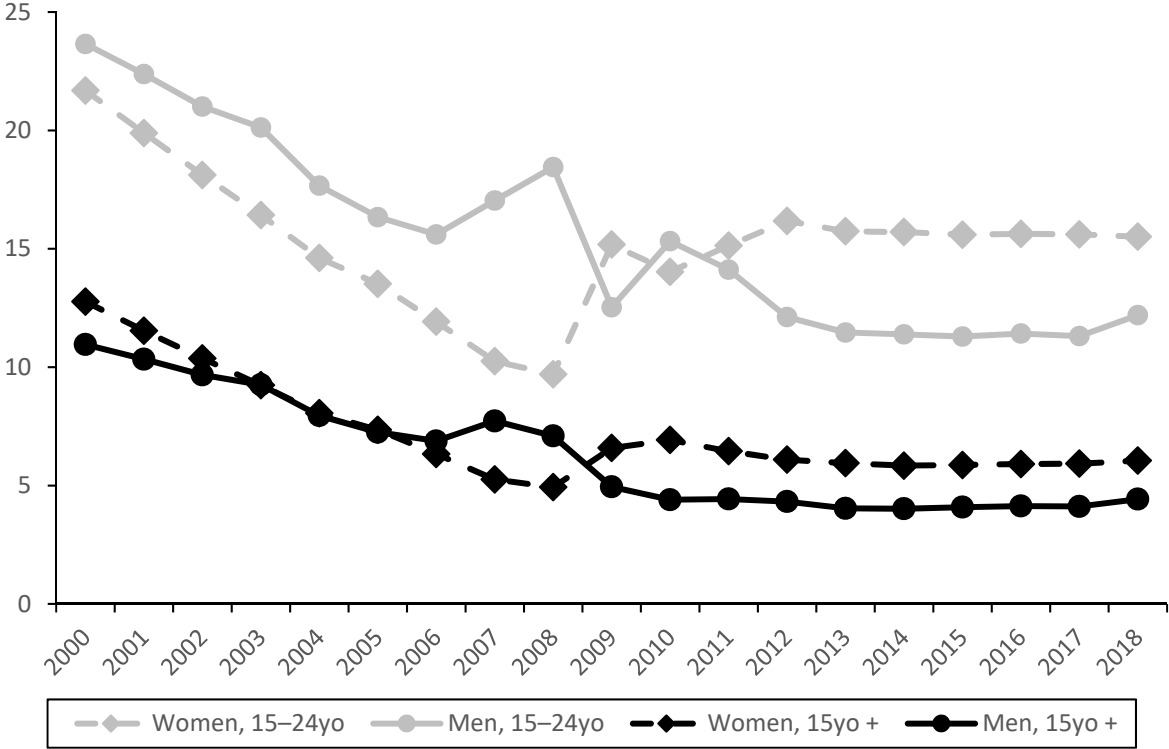


Source: World Bank (2019). Own illustration.

As we can see from the picture above, labor force participation rates are lower among youths aged 15 to 24 compare to rates of the overall population aged 15 or above. In 2018 the labor force participation rate of young men reached 42% and just 41% among young women. One major reason for the lower youth labor force participation is the enrolment of youths in education. In terms of development over time there is a U-shape pattern as youth labor force participation rates has been increasing among youth again.

Figure 7 shows general trends in unemployment rates in the period 2000 to 2018 based on modeled ILO estimates. In general it can be seen that in all years the youth unemployment rates surpasses the unemployment rate of the general population. During the first decade there has been a strong decline in unemployment rates among the general population as well as among youths. During the worldwide financial and crisis in 2008/09 there was an increase in unemployment rates, particularly among females. This induced a change in the gender inequality in unemployment rates. While women’s unemployment rate tended to be smaller than men’s unemployment rate the order has changed since the worldwide economic crisis. While the unemployment rate decreased again for young men it remained stable among young women and both men and women of the general population. Overall, the prosperous general economic development during the last years (ETF 2019), the opening of many new jobs, as well as the stable and active public policy related to youth made significant progress in employment of these people effectively (Minister of Labor and Social Protection of Population of Azerbaijan Republic 2014). In international comparison, the unemployment rates in Azerbaijan are relatively low to medium.

**Figure 7. Unemployment rate, modeled ILO estimates, by gender and age group, in %**



Source: World Bank (2019). Own illustration.

Based on data from the State Statistical Committee of Azerbaijan (2017) Table 12 shows data on the unemployment rate according to national statistics among women and men covering the period 2000 to 2014. The numbers can deviate from international ILO statistics because of different definitions. However, the comparison show that the general trend is similar for the unemployment rate according to national statistics. Over the observed period the unemployment rate significantly decreased both for men and for women. Compared to the unemployment rate the share of persons who received official unemployment status in employment service offices (for definitions and requirements see Section 4.2) is much smaller. It was 1.0% in 2000 and further declined to 0.6% in 2014.

**Table 12. Unemployment rate and share of persons in unemployment status, national statistics, by sex, 2000–2014, selected years**

	2000	2005	2010	2014
Unemployed rate	11.8	7.3	5.6	4.9
men	10.9	7.2	4.4	4
women	12.7	7.3	6.9	5.8
of which:				
% of persons received official unemployment status in employment service offices	1	1.3	0.8	0.6
men	0.9	1.2	0.9	0.7
women	1.2	1.4	0.8	0.5

Source: State Statistical Committee of the Republic of Azerbaijan (2017).

### 3.2. Employment

Economic reforms, especially the privatization of enterprises and organizations in state property were the reasons of significant changes in the distribution of the employment shares in the state and non-state sectors among all labor active individuals of all ages. The data represented in Table 13 show the share of the employed persons in state and non-state property forms covering the period from 2000 to 2014. For the state property forms the employment share decreased from 33.2% in 2000 to 25.6% in 2014. Meanwhile, the employment share in the non-state property forms increased from 66.8% to 74.4%. The percentage of the enterprises with foreign investment and joint enterprises increased from 0.9% in 2000 to 2.1% in 2014. The share of self-employed among all labor active individuals of all ages increased from 16.7% in 2000 to 22.1% in 2014. Sector-specific data on the development of self-employment show that the share of the self-employed increased 1.5 times in agriculture, 3.8 times in industry, 5.9 times in construction, and 1.2 times in services when comparing the situation 2013 to 1990 (Rahmanov et al. 2016).

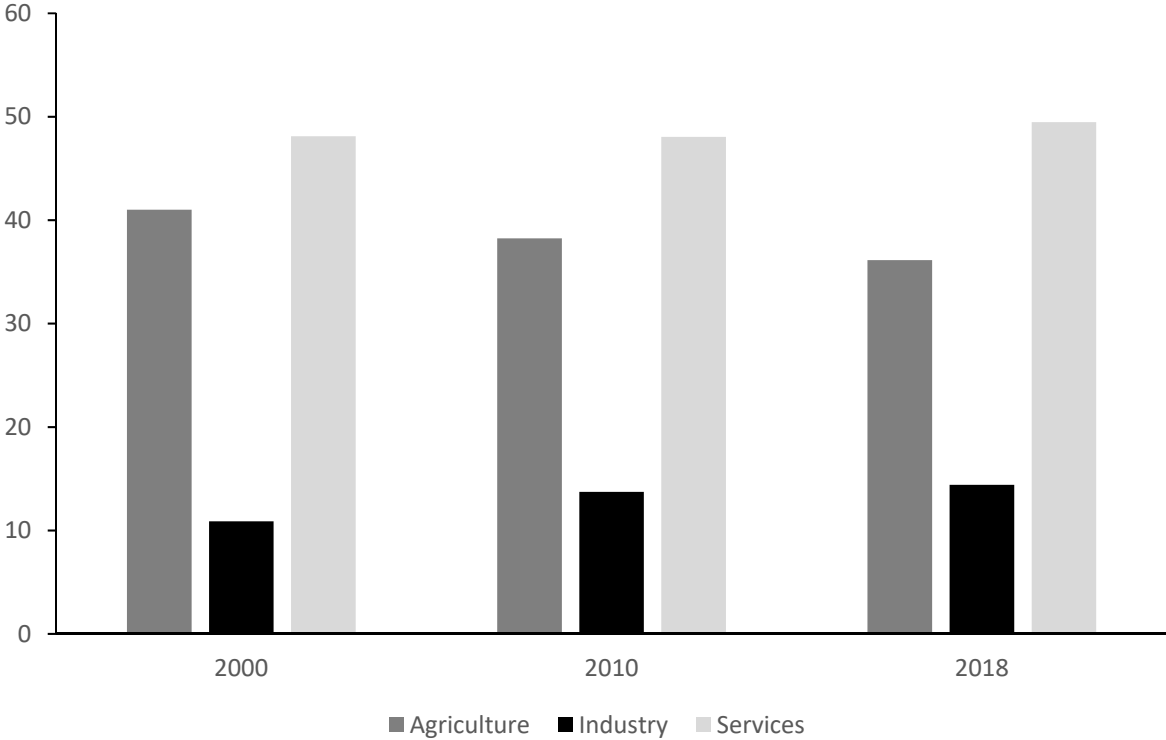
**Table 13. Distribution of working population in state and non-state sector, by property type**

	2000	2005	2010	2014
State (overall share)	33.2	30.3	26.4	25.6
<i>Non-state</i>				
private	48.3	50.1	50.2	49.6
municipal	n.a.	0.4	0.2	0.1
enterprises with foreign investment and joint enterprises	0.9	1.5	1.4	2.1
religious enterprises	0.9	0.8	0.7	0.5
self-employed persons	16.7	16.9	21.1	22.1

Source: State Statistical Committee of the Republic of Azerbaijan (2017).

Figure 8 shows the distribution of employment by economic sector in Azerbaijan. The employment structure in Azerbaijan is dominated by agriculture and services. However, there are also some important changes over time. During the observation period the employment share in agriculture declined from 41% in 2000 to 36% in 2018. At the same time the employment share in services remained stable around 48 to 49%, whereas the employment share in the industrial sector increased from 11% to 14%.

**Figure 8. Distribution of employment by economic sector in 2000, 2010 and 2018 (% of total employment), modeled ILO estimates**



Source: World Bank (2019). Own illustration.

As result of agrarian reforms successfully implemented since 1995, market relations have been established in the domestic economy, land and property effectively used, field structure of agrarian sector improved, entrepreneurship formed, and the look of village changed (Heydar Aliyev Foundation 2019). The agricultural sector had also a large influence on poverty reduction in rural areas (Heydar Aliyev Foundation 2019). Although the employment share in agriculture is high, its contribution to the GDP is the smallest (ETF 2019). One of main goals for Azerbaijan today is to remove the dependence of the economy on oil and to assure the expansion of economic development to rural areas.

Table 14 presents data on employment shares by economic sector for the three time point 2005, 2010 and 2014. The data refer to employees, i.e. excluding self-employed persons and employers. In 2014 the dominant sectors are education (22.2%) followed by trade and repair of transport means (18.7%) and human health and social work activities (8.7%). During the observed period the sectoral composition of the workforce remained quite stable but there are also some noticeable trends. In the construction sector the percentage of employees increased from 4.8% in 2005 to 7.1% in 2014. It is noticeable that in financial and insurance activities the number of employees doubled during the period 2005–2014 from 0.9% to 2.0%. These dynamics were applicable also for the public administration, defense and social security sector, in which the employment share increased from 3.7% in 2005 to 6.6% in 2014.



**Table 14. Share of employees by economic activities, 2005, 2010 and 2014**

	2005	2010	2014
Agriculture, forestry and fishing	3.5	3.0	3.0
Mining	3.1	2.5	2.3
Manufacturing	8.1	6.1	6.8
Electricity, gas and steam production, distribution and supply	2.2	2.2	2.0
Water supply; waste treatment and disposal	1.8	1.6	1.7
Construction	4.8	5.8	7.1
Trade; repair of transport means	19.3	20.8	18.7
Transportation and storage	5.7	4.7	4.7
Accommodation and food service activities	1.0	1.2	1.4
Information and communication	2.1	1.8	1.7
Financial and insurance activities	0.9	1.5	2.0
Real estate activities	0.4	0.6	0.8
Professional, scientific and technical activities	2.9	3.1	3.8
Administrative and support service activities	0.7	1.5	1.6
Public administration and defense; social security	3.7	3.8	6.6
Education	25.2	25.0	22.2
Human health and social work activities	9.9	9.9	8.7
Art, entertainment and recreation	3.9	3.9	3.8
Other service activities	0.8	1.0	1.1

Source: State Statistical Committee of the Republic of Azerbaijan (2017).

Table 15 shows the female share in employment by economic sector. In Azerbaijan women are only over-represented in the education, the human health and social work and in the public administration, defense and social security sectors. The lowest female employment shares are observed in the construction sector, in mining and electricity, gas and steam production, distribution and supply.

**Table 15. Share of women in general quantity of employees by economic activities, 2014**

	<b>2014</b>
Agriculture, forestry and fishing	41.8
Mining	22.3
Manufacturing	13.5
Electricity, gas and steam production, distribution and supply	24.4
Water supply; waste treatment and disposal	15.1
Construction	34.8
Trade; repair of transport means	6.6
Transportation and storage	29.0
Accommodation and food service activities	18.8
Information and communication	29.6
Financial and insurance activities	31.1
Real estate activities	32.9
Professional, scientific and technical activities	45.1
Administrative and support service activities	40.5
Public administration and defense; social security	24.2
Education	29.3
Human health and social work activities	72.2
Art, entertainment and recreation	79.4
Other service activities	63.2

*Source: State Statistical Committee of the Republic of Azerbaijan (2017).*

### **3.3. Labor Migration**

Describing the role of the labor migration issues the labor migration legislation consists of the Constitution, the present Law of the Republic of Azerbaijan on Labor Migration and other normative legal deeds of the Republic of Azerbaijan and intergovernmental international treaties of the Republic of Azerbaijan.

According to the State Statistics Committee, the migration numbers have decreased in Azerbaijan in recent years. Thus, a total of 137,900 people left the country for permanent residence in over 20 countries of the world mainly in the former Soviet countries, including Russia, Ukraine, Belarus and Georgia. Most of Azerbaijanis are looking for jobs abroad in rather near distance, as they have more opportunities to find work in the former Soviet republics. The main flow of internal migration in Azerbaijan is from the villages to the city.

On the contrary, the well-developed and developing sectors of the Azerbaijani economy as oil and construction sectors attract a great number of those who are looking to move to Azerbaijan from abroad.

### **3.4. The Labor Code**

Overall, Azerbaijan target equal employment for women and men. Based on the Labor Code of Azerbaijan Republic, from 1999, there are specific restrictions on women's employment with regard to labor intensive jobs, in hazardous workplaces, in underground tunnels, mines, and other underground works is prohibited for pregnant women and women who have children under three years of age. Moreover, it is forbidden to ask female workers who are pregnant or who have children

under three years of age to work on night shift, at the weekend, at a public holiday or during vacation as well as to send them to job related travel. Female workers who are pregnant or have children up to age of one and a half years should work on light duty and they should be granted breaks for feeding the child. Further regulations on the maternity and parental leave are explained in Chapter 4.5.

Generally, according to the traditions and customs in Azerbaijan women usually need the informal consent of the father or husband to be allowed to work.

Regarding the employment protection laws and regulations there are the following laws in the country that are most relevant:

- The Law on Employment,
- the Labour Code of Azerbaijan Republic,
- the Law of the Republic of Azerbaijan On Civil Service, and
- the Law of Azerbaijan Republic on Minimum Living Wage.

Labor relations are regulated in the Azerbaijan Labor Code. The Labor Code of the Republic of Azerbaijan governs the labor relations between employees and employers, as well as other legal relations derived from such relations between them and relevant national authorities and entities. The Labor Code of the Republic of Azerbaijan establishes the minimum norms for regulations ensuring implementation of the labor rights of physical persons and these rights themselves. The Labor Code is based on the following principles with regard to labor relations between the parties:

- equal rights,
- protection of their interests by justice and the superiority of the law,
- favorable conditions for the use of mental, physical and financial capacities to meet material spiritual, social, economic and other living requirements, and
- legal guarantees for the fulfillment of employment contracts.

## 4. Welfare and Family Regimes

### 4.1. Active Labor Market Policies

In Azerbaijan there is an institutionalized system of State Employment Services (SES) under the auspices of the Ministry of Labor and Social Protection of Population of Azerbaijan Republic. According to the report of ETF (2018) the SES operates 83 regional employment services and three vocational training centers. However, due to the small proportion of unemployed workers being registered and granted the status of being unemployed the employment services of the SES reach out only to a limited number of job seekers. However, the government has taken strong efforts to strengthen the capacity of the SES by substantially increasing the number of staff (ETF 2019).

Promoting employment among youth is a top priority of the government. This is, for example, visible in the main goals and objectives of the employment strategy for 2006–2015. The main directions of activity in solving the problem of employment among youth that were announced in Decree of the President of the Republic of Azerbaijan on approval of the “Employment Strategy of Republic of Azerbaijan (2006–2015)” (President of the Republic of Azerbaijan 2015) included, among others, suggestions for active labor market policy measures such as

- “(...) provide youth, who are under the threat of dismissal, with professional training and advancement on those specialties for which there is demand in the labor market, before the dismissal happens;
- identify work places by quota as defined in the legislation and strengthen incentives for employers to comply with this requirement;
- strengthen the process of provision of employment, professional training and advancement for youth released from army, providing methodological and practical assistance to start own business and arranging for special training course; (...)
- implementing various activities to train young specialist to work in tourism sector, as well as actions to increase level of their qualification and professionalism; (...)
- creation of the network of business centers to support young entrepreneurs, farmers and unemployed people in rural and urban areas; (...)
- involvement of youth in the programs developed with new and effective technology in various fields of economy;
- in order to prevent flow of youth into urban areas create new jobs in border and mountainous regions, and provide them with advisory services to involve in to private business.” (President of the Republic of Azerbaijan 2015: 67)

In Azerbaijan, assistance to young unemployed is given in terms of an employability oriented strategy. Active labor market policy measures such as training, subsidies facilitating the re-integration into labor market, job search assistance and special measures for youths are offered (Minister of Labor and Social Protection of Population of Azerbaijan Republic 2017).

For example, in 2011, the "Improvement in the Labor Market" project supported by the World Bank was established under the State Employment Service under the Ministry of Labor and Social Protection (Minister of Labor and Social Protection of Population of Azerbaijan Republic 2017). In this project a career center was established that provides the services for the secondary school students, their parents, teachers, students, job seeker citizens, employers following services. The main goals are to:

- provide employment comprehensive career consultations for job seeker citizens,
- inform young people about employment opportunities and vacancies that exist in the labor market,

- inform middle school, high school students and graduates how to continue education at different levels and specializations and build capabilities for the future career,
- inform young people about the present situation in the labor market,
- conduct different tests in order to evaluate youth talent and professional skills, and
- carry out the professional, social and psychological tests for youth in order to deal with the active economic activity (Minister of Labor and Social Protection of Population of Azerbaijan Republic 2017).

As another labor market policy measure career guidance is offered to youths who are still in education in order to improve their later employment chances (Minister of Labor and Social Protection of Population of Azerbaijan Republic 2014). This measure started as a pilot project in Baku in 2008 and in 2009 it was extended to other regions. It assists secondary school students in choosing the adequate professional qualification. A wide range of organizational and advisory support is offered to secondary schools. Teaching staff of secondary schools and employers operating in the same regions are participating. The number of people involved in the case of career advice was 20,882 in 2009 and reached 112,135 in 2013, of which 106,155 were pupils from secondary schools.

In 2013, 4,329 people participated in further education courses that were organized by the employment agencies. 55% of the participants were trained by the training centers. The monitoring of this program showed that about 60% of the participants in these training courses got employed in the short term (Minister of Labor and Social Protection of Population of Azerbaijan Republic 2014).

There are also several policy measures in the “Strategy to Promote Employment Among Youth and Adolescent” (Mammadov 2008). For example, the “State Program on Implementation of the Employment Strategy of the Republic of Azerbaijan” promoted policy measures aiming at the boosting youth employment such as the right of young workers to return to their previous job after compulsory military service or the support of small-sized entrepreneurship and the promotion of vocational education (Mammadov 2008).

Continuous efforts of the government are visible in terms of new policy measures to promote employment among youth. For example, a new wage subsidy measure has been jointly implemented by the Ministry of Labor and Social Protection of Population of Azerbaijan Republic and the ILO in 2018/19 targeting 1,000 students in 2018 and 5,000 students in 2019 (ETF 2019).

#### **4.2. Unemployed Benefits**

In accordance with the Law of the Republic of Azerbaijan "On Employment" the rules for granting unemployed status are as follows. The unemployed status is granted to able-bodied citizens who are willing to work and who are registered as job searching person in the Employment Center in the district/city. Under the Employment Act, the following citizens cannot be granted the unemployment status:

- citizens under the age of 15,
- pensioners (excluding pensions for children who lost family head),
- those who did not come to the Employment Center for the purpose of seeking a job within 10 days after being registered and those who refused to take one of two different suitable jobs during that time (the same job cannot be offered again),
- first-time job seekers,
- persons sentenced to imprisonment,
- self-employed persons,

- working persons, and
- persons who have land shares in their possession.

If the respective Employment Center is not able to offer a suitable job within ten days after the registration of the unemployed person, the registered unemployed person is eligible for an unemployment allowance and the exact amount of the unemployment allowance is set.

The amount is based on previous levels of average monthly earnings. If the unemployed persons had a paid job during the previous 12 months, their unemployment allowance is set to 70% of their average monthly wage in the last 12 months. The average monthly benefit amount cannot be less than the minimum allowable amount. The minimum amount is defined for unemployed people who only had a paid job for less than 26 calendar weeks during the previous 12 months. After 12 months from the date of unemployment status determination, if the citizen is not provided with the job, he/she has the right to receive remuneration again. Recurrent allowance is set to the minimum allowable amount.

Unemployment benefits additionally include unpaid child care at the rate of up to 10% of the allowance for each child, but no more than 50%.

### 4.3. Social Aid Granted to Poor Families

Within the framework of the welfare system in Azerbaijan individuals and families in need are provided with assistance and support from the government. Welfare policy, types and amount of assistance available to individuals and families vary depending on the region.

Table 16 provides an overview on public social aid granted to poor families in the period 2007 to 2016. The number of families received addressed public social aid tripled from 48,705 in 2007 to 163,409 in 2009 and halved again to 80,193 in 2018. This increase is also reflected in the number of family members received addressed public social aid that increased from 218,673 in 2007 to 749,965 in 2009 and fell again to 326,631 in 2018.

**Table 16. Addressed public social aid granted to poor families, number of benefit recipients and amount, 2007–2018, selected years**

	2007	2009	2012	2015	2018
Number of families received addressed public social aid	48705	163409	120478	94794	80193
Number of family members received addressed public social aid	218673	749965	541989	415198	326631
of which:					
women (%)	38%	52%	51%	50%	49%
children (%)	42%	48%	50%	51%	51%
Amount of monthly addressed public social aid, per capita (AZN)	8.36	22.00	23.66	33.32	36.39

Source: State Statistical Committee of the Republic of Azerbaijan (2017).

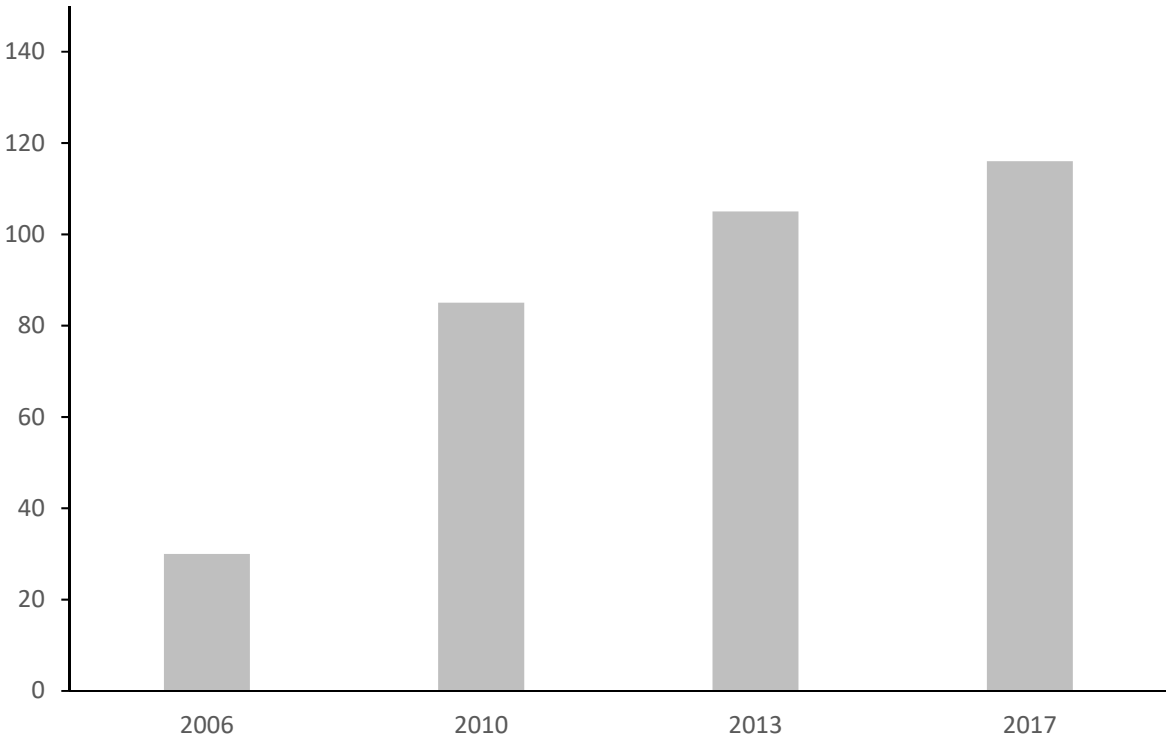
Almost one half of the recipients are children, which underlines the targeting of the social aid to families with children. This is, for example, also visible in the State Program on Poverty Reduction and Sustainable Development in the Republic of Azerbaijan for 2008–2015 (President of the Republic of Azerbaijan 2008). This program suggested the need to focus more social expenditure on the younger age groups and families with children according to the fact that families or households with (many) children have the highest poverty risk. In addition poverty risks can be reduced if adults can generate more income (President of the Republic of Azerbaijan 2008). There is also a strong increase in the per

capita amount of monthly addressed public social aid from 8.36 AZN in 2007 to 35.49 AZN in 2016 (see Table 16).

**4.4. Minimum Wage**

Figure 9 shows the evolution of the legal net monthly minimum wage in Azerbaijan for the period 2006 to 2017. There was a steady increase in the net monthly minimum wage from 30 AZN in 2006 to 116 AZN in 2017 (State Statistical Committee of the Republic of Azerbaijan 2017).

**Figure 9. Minimum wage in Azerbaijan, 2006–2017, selected years**



Source: State Statistical Committee of the Republic of Azerbaijan (2017).

**4.5. Family Regimes**

For most of the population of modern Azerbaijan the family is valuable inasmuch as is perceived as a major, if not the only, life support. For example, 61.7% of respondents in a survey from 2010 expressed their full agreement with the statement that “the family is the mainstay of life” (Institute of Family and Marriage in Modern Azerbaijan 2010). The great majority of the population is in favor of equal responsibility of men and women for the home and children. However, most people think that men have the responsibility for the material welfare of the family, whereas the woman has the primary responsibility for housework and child care. Marital fidelity, the presence of children and a good income are three basic conditions for a happy marriage and family well-being for the vast majority of Azerbaijani citizens (Institute of Family and Marriage in Modern Azerbaijan 2010).

Until November 2011 the minimum age for men was defined as 16 and for women it was defined as 17 according to the Family Code of the Republic of Azerbaijan (UNFPA 2014). If there is a good reason, the local bodies of the executive power of the territory of the place of residence of the minor persons wishing to marry, could reduce their marriage age on the request by up to one year (UNFPA 2014,

Azerbaijan Gender Information Center 2019). The minimum marriage age has been increased such that according to the current Family Code of the Azerbaijan Republic, under Article 10, the minimum marriage age for men and women is defined as 18 (Azerbaijan Gender Information Center 2019).

Forced marriage is subject to up to two years of imprisonment (up to four years in case of bride of minor age) or a fine of 2,000-3,000 AZN (3,000-4,000 AZN in case of bride of minor age) following Article 176-1 of the Criminal Code of Azerbaijan (UNFPA 2014). Cohabitation with a child below age 16 is illegal as well, whereas cohabitation with minors older the age of 16 is legal as long as it not a forced cohabitation (UNFPA 2014). Bride kidnapping, which still happens, is subject to five to ten years of imprisonment according to Article 144.1 of the Criminal Code of the Azerbaijan Republic (UNFPA 2014).

Religious marriage, i.e. concluding the "kabin" contract as a religious marriage contract, in Azerbaijan based on Sharia is performed by religious person called Mullah in the mosque (UNFPA 2014). However, such marriages are not legally recognized and not officially registered. Although legally required it is often ignored by the Mullahs to check the civil marriage certificate and birth certificates for the bride and groom (as a proof of age) before the religious marriage ceremony takes place (UNFPA 2014).

#### **4.6. Family Policy**

Family policy is part of the national social policy in the Republic of Azerbaijan. Family policy has found its successful development in the president's decrees and orders and in a number of state programs. Family policy is implemented by the State Committee for Family, Women and Children's Affairs (SCFWCA). As an example, a new Family Code was established in 2000, also with the aim of further developing the gender strategy for the country effectively.

Regarding the promoting gender equality in Azerbaijan, one of the important steps was taken with the adoption of the "Gender Equality Law" (ILO 2014). Especially focusing on the family, women and children the medical service infrastructure was further improved. This included the "Maternal and Child Health" state program for the period 2014–2020.

Azerbaijan joined a number of UN conventions such as "on the Elimination of All Forms of Discrimination against Women", "Children's Rights", "Protection of Children and Cooperation in respect of Inter-country adoptions" (ILO 2014, Institute of Family and Marriage in Modern Azerbaijan 2010).

Young mothers face severe challenges with respect to labor market integration, even before becoming mothers, because it is expected that they will withdraw from their jobs in the future (ILO 2014). In the event of motherhood women are qualified for pregnancy and maternity leave, which is explained in the following in detail based on the regulations specified in the Labor Code (ILO 2019) and analyzed by ILO (2014).

According to Section 125 of the Labor Code of the Republic of Azerbaijan (ILO 2019) woman are granted pregnancy and maternity leave of overall 126 days, starting 70 calendar days prior to childbirth and ending 56 calendar days after childbirth. This postnatal period is extended to 70 days in case of an abnormal birth or multiple births. Women working in industry are granted 70 calendar days of prenatal pregnancy leave and 70 days of postnatal maternity leave. The postnatal maternity leave is extended to 86 days in case of an abnormal birth and 110 calendar in case of multiple births.

In order to care for a child from the birth until age three one of the parents or another family member is entitled to partially paid social leave according to Section 127 of the Labor Code of the Republic of Azerbaijan (ILO 2019). During the parental leave period, the caregiver receives an allowance for the period of parental leave that is determined by law. The State Social Protection Fund pays the obligatory state social insurance contributions for the caregiver during the period of parental leave. An allowance for child care is paid to the caregiver during the period of parental leave.



According to section 244 of the Labor Code of the Republic of Azerbaijan working mothers qualify for an additional 30min break every three hours for the period from the childbirth up to the child reaching the age of one and a half (ILO 2019). There are no additional financial child benefits for working mothers.

Low-income families with a child under the age of one have a right to receive the addressed public social aid according to the Law on Social allowances in Azerbaijan (State Social Protection Fund 2019). AS outlined in Chapter 4.3 (for detailed numbers, see Table 15) almost one half of the recipients are children, which underlines the targeting of the social aid to families with children.

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