















Eastern Partnership Platform 4, 2017-2020 Make it Match network

Skills anticipation and matching system / approach - country profile

Country: Azerbaijan

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Objective of the country profile

All countries of the Eastern Partnership are planning and implementing actions and projects to strengthen their skills anticipation and matching systems and disseminate credible and up-to-date labour market information for end-users and policy making institutions. The six countries have actively participated in the capacity building activities of the Make it Match network since 2014.

The country fiche is based on 6 main questions. It contributes to planning and monitoring of your country developments that contribute to improve your skills anticipation and matching systems and instruments. The focus of this country profile is on systems, not on results of labour market information. In particular, the profile provides an overview of the state-of-play, main developments and plans concerning the institutional setting and coordination; used data sources and analytical methods; main products and dissemination platforms and mechanisms.

This information is compiled and filled by the country team of the "Make it Match Network", and reflects information updated in 2019.

Please could you use the questions and tables below for fill this profile. You can add appendixes, if needed.

1. Skills anticipation and matching: involved institutions and their main functions and contributions:

Institution	Main functions	Main contributions (outputs)
	 Analyse demand and supply of labour force by studying labour market situation, and prepare forecasts on development of labour market. Use labour market information for developing and implementing policies in the fields of labour relations, employment, demography and social protection. Regulate labour relation and develop normative and legal basis for social partnership. Ensure functioning of electronic information system of labour contract registration. Participate in development of socioeconomic forecasts together with respective authorities. 	Forecasts for the current and 3 coming years. National and regional employment programs containing forecasts for one year.



















State Employment Service under
the Ministry of Labour and Social
Protection of Population of the
Republic of Azerbaijan

- Collect information from employers on vacancies through its network of eighty six employment offices functioning in all administrative regions of Azerbaijan.
- Collect information from public authorities and local selfgovernance institutions, individuals and legal entities.
- Analyse demand and supply of labour force by studying labour market situation, and prepare forecasts on development of labour force.
- Elaborates Active Labour Market Policy.
- Provides training and retraining for job seekers and the unemployed.
- Develop forecasts on financing social protection of job-seekers and unemployed citizens and ensure implementation of policy measures provided for in respective programs.
- Preparing one-year forecast of employment by sectors of economy.
- Provides Information support and administration of the "Employment" subsystem integrated with the portals www.e-sosial.az and www.e-gov.az

One-year forecast of employment by sectors of economy.

Number of unemployed population forecasted for the current and 3 coming years.

Employment support programs designed for jobseekers, unemployed and inclusive groups;

Date information about supply and demand in the labor market

Агентство по устойчивому и оперативному социальному обеспечению (DOST).

(Sustainable and Operative Social Security (DOST) Agency) при Министерстве труда и соци-альной защиты Азербайджанской Республики

- Обеспечивает на основе принципа «единого окна» онлайн доступ граждан к 126 услугам, MTC3H предоставляемым сферах занятости, трудовых отношений, социальной защиты и социального обеспечения;
- Управляет Централизованной информационной электронной системой ЦЭИС), объединяющей подсистем и подсистему «Занятость:
- Администрирует портал www.e-sosial.az, интегрированный с подсистемами ЦЭИС

Оперативная информация услуги в сферах занятости, труда, социальной защиты И социального обеспечения

Ministry of Economy the of Republic of Azerbaijan

Collect information from public authorities (Ministry of Labour and Social Protection of Population, Ministry of Education, etc.) and local self-governance institutions, individuals and legal entities.

Analyse socio-economic situation of the country.

Four-year macroeconomic forecasts, including labour market forecasts. Indicators are not disaggregated by qualifications and specialities. Expected demand for labor resources in different sectors of economy is estimated, but 1) labor market is not studied separately; 2) only quantitative



















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	Prepare economic and social (including labour market) development forecasts of the country. Cooperate with other government institutions for identifying priority development areas of labour force and employment.	parameters of labor resources are foretasted; 3) Labor resources are not forecast in terms of occupations and qualifications and demand.
Scientific Research Institute on Economic Reforms under the Ministry of Economy of the Republic of Azerbaijan	 Provide for scientific foundations of economic development policy of the country, Identify strategic directions of economic reforms. Develop models and techniques for compilation of short-, medium-, and long-run forecast and plans in conformity with priorities of diversified development of economic sectors. 	Macroeconomic model of sustainable growth of the economy of Azerbaijan (AZMOD). The model is not adapted (unfortunately) for analysis of the labour market.
Ministry of Education of the Republic of Azerbaijan	 Ensures forecasting of education. Identifies real demand in specialists, including pedagogical staff and regulates provision of jobs to them. Prepares proposal for yearly adoption of students to higher, secondary-specialised and initial vocational education institutions. Carries out activities for fulfilling the need in pedagogical staff. Conducts collecting and analysis of statistical information with approved forms, and submits results to respective authorities. 	Admission plans for educational institutions. Regular tracer study of VET graduates are not carried out
State Agency on Vocational Education under the Ministry of Education of the Republic of Azerbaijan	 To organize sustainable implementation of affordable vocational education and training, conducive to competency development and career orientation, in order to continually align the VET system to needs of the labour market; To ensure preparation and implementation of programs in the framework of the joint public-private partnership efforts with employers in order to improve efficiency of vocational training at initial VET institutions; To develop and ensure application of methods in relation with the recognition of competences acquired through non-formal and informal ways; 	 To take part in the preparation and forecasting of orders for training of specialists at VET institutions according to needs of the labour market on professions; To cooperate with entrepreneurs, their unions and professional associations for the development of education standards and curriculum on relevant professions; To promote the application of innovations at the learning process using modern education technologies; To study, summarize and drive promulgation of best practices in the field of initial VET; To participate in the organization and improvement of career-



















	To organize coordination of international programs and projects in the field of VET.	guidance process; • To coordinate the program of exchange of students and education providers with foreign vocational education institutions.
State Statistical Committee of the Republic of Azerbaijan (SSC of Azerbaijan)	Produce labour market statistics: carries out the Labour Force Survey (LFS) and Establishment survey (ES).	Results of LFS and ES
Centre of Scientific Research and Statistical Innovations under the State Statistical Committee	 selection of observation units for carrying out statistical surveys; systematical research of organization of statistical output; research on application of new technologies in statistical output; research on system of statistical indicators; research on working out of balances of inter-sectoral, food, fuel and energy; research of statistical data of micro, mezo and macro economy 	 Methodological support for statistical studies; Application of new technologies in statistical outputs
National Confederation of Entrepreneurs (Employers') Organizations of the Republic of Azerbaijan (ASK)	 implementation of regional and national socio-economic programs for entrepreneurship development. As a social partner to take active part in preparation and consultation process of General Collective Agreement where skills anticipation and matching issues are generally included as usual As a social partner participate in all public councils within the Ministry of Labour and Social Protection 	 In the framework of the general forecast of economy development provided by the Ministry of Economy ASK organizes the relevant surveys among its members, as well as non-members in order to collect the main priorities in skills demand and provide the analyze of the collected information being submitted to the relevant public bodies. Participate in development and implementation of regional and national socio-economic programs for entrepreneurship development. Provide the coordination of the projects on VET (f.e. regional project initiated and conducted by SEQUA (Germany)) and skills anticipation and matching
Institute of Information Technologies of Azerbaijan National Academy of Sciences	 Conduct scientific research on analysis and matching of demand and supply in the IT segment of labour market in professional, qualification, quantitative and qualitative sections for various levels of management hierarchy. Prepare theoretical and practical 	Conceptual and methodological approach to matching of demand and supply models and decision support methods for matching the demand and supply of human resources in the IT sector in professional, qualification, quantitative and qualitative sections for various levels



















a) Is there an umbrella body, such as a council, commission, task force coordinating skills anticipation and matching? At national, regional or sectoral levels? Is there an Observatory (employment, training, skills...) at any stage of development?

Key information: name, weblink(s), year of started activity, status (autonomous; department under existing state body; network; project)

На сегодня отдельного органа, координационного комитета или какой-либо другой платформы для проведения исследований и координации деятельности по прогнозированию и согласованию навыков в Азербайджане пока нет. Но проводится работа в этом направлении. Так, при поддержке ЕФО (проект «Поддержка ввода в действие Национальной обсерватории навыков: организационные, технические и правовые аспекты», июнь 2018г.) подготовлен, согласован с заинтересованными сторонами и представлен на утверждение в аппарат Президента пакет необходимых документов для учреждения Национальной обсерватории рынка труда. В настоящее время ведется работа с Администрацией Президента АР в направлении учреждения Обсерватории.

If such a coordinating body / commission is not operational, please indicate how information and analysis from skills anticipation activities is coordinated for use at different levels (e.g.: national policy, regional and local, providers of education and training, employment services, enterprises, learners)

b) Is there a portal or other public communication instrument to disseminate results of skills anticipation and matching?

Key information: web link (s); sources of information for public users

2. Skills anticipation and matching: main used analytical tools and reports (as per May 2019), e.g.: formal projections and forecasts, sectoral studies, enterprise surveys, tracer studies of graduates from education and training, expert panels, sector bodies

Compile information from updated sources (public, non-public, international).

Type and title of method used	Which body is responsible for implementation	Since when, periodicity	Type and source of data collection	Details on the method
Labour Force Survey (LFS)	SSC of Azerbaijan	Since 1999 up to now labor force indicators are published annually and since 2010 - main labour force indicators quarterly.	Sample Survey; Households are interviewed by face-to-face interviews Paper And Pencil Interviewing (PAPI). Data are collected by an electronic form on the website of	from 2007 onwards, the labour force survey was conducted quarterly. End 2013, the sample fraction was increased to a 1% sample. The quarterly sample comprises 20850 households, a 1% sample of the total household in country. Sample are updated by using rotation methods (25% of household are replaced quarterly).

















			the SSC of Azerbaijan	The labour force survey is a stand-alone survey. The sample frame of the LFS is a master sample for all household surveys, the source for the master sample is the population census in 2009. Population aged 15 and over are interviewed from households. Methodology of LFS is based on the concepts and definitions of the ILO (13th International Conference of Labour Statisticians – "Statistics of the economically active population, employment, unemployment and underemployment"). In 2019 SSC of Azerbaijan started active work with ILO in order to transform methodology of LFS into news standards (Resolution concerning statistics of work, employment and labour underutilization adopted by 19th International Conference of Labour Statisticians).
Establishment Survey	SSC of Azerbaijan	Since 1999. monthly, quarterly, annual.	Collecting labour market statistics from all legal entities and indivi-duals based on official statistical reporting. Data are collected by an electronic form on the website of the SSC of Azerbaijan.	The sample frame of the establishment survey is Business Register. The establishment survey covers the following: 1) All legal entities and their structural units of all economic activities, property forms, size and all regions of country. including by - the monthly survey covers only the large, medium and small size enterprises (about 11 thousand entities); - the quarterly and annual survey covers the all (large, medium, small and micro size) enterprises (about 34 thousand entities). 2) The overall sampling fraction of natural entities are 5%. Of which the sampling fraction of - small and medium size are 100%, - micro size are 5%. The sampling survey of natural entities carried out quarterly period. The methodology used for labour















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				market statistics is based on the concepts and definitions of the ILO. Indicators on earnings statistics are worked out in compliance with the European Parliament, Council and Commission Regulations (Council Regulation (EC) No 530/1999 concerning structural statistics on earnings and on labour costs, and Commission Regulation (EC) No 1738/2005 amending Regulation (EC) No 1916/2000 as regards the definition and transmission of information on the structure of earnings.)
AZMOD 4-year macroeconomic forecast, using a balance method (including linear and dynamic regression),	The Institute for Scientific Research on Economic Reforms under the Ministry of Economy and Industry	Yearly, since 2013	Official statistics	Macro and meso levels Short- and medium term forecasts (4-5 years) Balance models are developed on the basis of tax simulations. A Social Accounts Matrix, a core database of AZMOD covering 15 economic sectors was developed.
In accordance with the Law of the Republic of Azerbaijan on Budget System, the Ministry of Economy annually drafts economic and social development concept and mediumterm forecasting indicators of the Republic of Azerbaijan for the next budget year and following three years and submits them to the Cabinet of Ministers of the Republic of Azerbaijan	Economic and social forecasts are developed by the Ministry of Economy the Republic of Azerbaijan	Yearly, since 2010	Administrative data collected from line ministries	Meso level. Every year - for the next year and following three years Expected demand for labor resources in different sectors of economy is estimated. But 1) labor market is not studied separately; 2) only quantitative parameters of labor resources are foretasted; 3) Labor resources are not forecast in terms of occupations and qualifications and demand.
Extrapolation Development of local employment programs	The Ministry of Labour and Social Protection of Population	Yearly, since mid-1990s	Administrative data collected by the State Employment Service (SES)	Data collected by the SES offices is put together into an excel table and time series for only three years are processed using extrapolation to produce one-year forecasts. Expert assessments are also integrated here.

















3. Main projects supported by the state and international organisations contributing to develop / strengthen the skills anticipation and matching mechanisms (Period: 2017-2019)

National partners / lead bodies Ministry of Labour	International organization EU	Status (ongoing, recently completed, planned) - years 2017	Objectives and activities (1) The <i>objective</i> of the project are to modernize
and Social Protection of Population of the Republic of Azer- baijan (MLSPP)	Twinning project "Support to the Ministry of Labour and Social Protection of the Population in modernizing public employment services in the Republic of Azerbaijan".	launched in November	and improve State Employment Service via strengthening its institutional capacity, administration and activities based on the experience of the European Union, better meeting the needs of employee and employer. To achieve this goal, the following issues are to be addressed: Establishment and development of the new modernized SES service model based on the best European practices; Provision of services performed by SES efficiently addressing labor market needs with focus on Active Labour Market Policy (ALMP) measures; Capacity building of human capital through implementation of the new service model for SES employees.
National Confederation of Entrepreneurs (Employers) of the Republic of Azerbaijan (ASK)	German Bildungswerk der Wirtschaft GmbH (Economics Institute). Improvement of employment and possible support of entrepreneurs to vocational training in the South Caucasus	2015-2018 (3 years)	The overall objective of the project are to modernize and improve State Employment Service via strengthening its institutional capacity, administration and activities based on the experience of the European Union, better meeting the needs of employee and employer. Scope: The project is implemented in Baku city and Khachmaz region. In order to achieve the overall purpose, implementation of four components is envisaged within the framework of the project. Purpose of the first component: Development of a monitoring system for identifying current demand and supply on labor market based on ASK's Internet-platform. Purpose of the second component: to strengthen cooperation between private sector and vocational education institutions, to enhance students' professional skills and entrepreneurial thinking, and to support their internship.

















			Purpose of the fourth and final component of the project is developing a long-term strategy for strengthening co-operation between employers' associations, industrial institutions and vocational education institutions.
Ministry of Education of the Republic of Azerbaijan	EU "Support to Development of Vocational Education and Training (VET) in Azerbaijan"	Duration: 33 months starting from 27.01.2017	The overall objective of the project is to increase attractiveness at all levels and relevance to labor market requirements of the Vocational Education and Training.
	The project is implemented by State Agency for Voca-tional Education under the Ministry of Education of the AR		 Project Goals: Improving VET policy and related regulatory legislation by promoting lifelong learning and involvement of social partners. Improving multilevel governance system and governance of VET, including coordination at central and local levels within the Ministry of Education. Developing 10 curricula related to VET qualifications (education standards) and occupational standards and applying them to the priority area. Providing support to the Ministry of Education in monitoring VET reforms Implementation of four new grant projects under the "Program for Establishment of Regional Vocational Training Centers in Azerbaijan" is started with the financial support of the European Union.
MLSPP	The EU Project "Strengthening legislative and regulatory framework for the development and implementation of occupational standards in Azerbaijan"	January- December 2018	The aim of the project was to support the Ministry of Labour and Social Protection of Population of the Republic of Azerbaijan in developing and reviewing legal acts and regulations to formalise the development and use of occupational standards. **Activities:**
			 Conducting a comparison analysis of the process of development and registration of occupational standards; Preparation of Draft Regulation on the development, registration and management of occupational standards;

















			 Reviewed statute of the Occupational Standards Section of the Ministry of Labour and Social Protection of Population; Preparation of Draft amendments to the existing labour, education and other relevant legislation to regulate the implementation of occupational standards; Recommendations on the use of available standards, including whether and how to make them compulsory for specific categories of workers; Recommendations on links between occupational standards and NQF and educational standards; Preparation Draft regulations for Sector Committees.
Ministry of Education of the Republic of Azerbaijan	"Support to implementation of National Qualifications Framework in Azerbaijan Project Reference: EuropeAid/138339/DH/SER/AZ	Duration: 01.04.2018 - 22.07.2020	To enhance the quality and relevance of the education and training system in Azerbaijan supporting economic diversification, creating opportunities for lifelong learning, and fulfilling the Education development Strategy in line with European and international best practice. The purpose of this contract is as follows: a functional NQF is set-up with the following specific objectives: To ensure effective implementation of NQF To introduce relevant education standards in pilot sectors To ensure education standards support competency-based education provision To improve access to lifelong learning through flexible provision, alternative progression pathways and recognition of prior learning To improve assessment and QA of assessment and certification processes To provide effective information and guidance for employers/sectors, providers and learners to use the NQF.

Additional information:

4. Career information and guidance: please succinctly compile information on the most important mechanisms and types of career information and guidance (in a lifelong learning perspective). Career information and guidance can serve diverse purposes and different target groups (youth, adults, students, workers, job seekers and others).

















Institutions providing career information and guidance services	Main target groups	Main purposes and services	Websites
MLSPP AzR	Школьники (9-11 класс), преподаватели, родители школьников, взрослое население (студенты, ишущие работу, безработные), также по отдельным программам граждане с ограниченными физическими возможностями и дети, лишенные родительской опеки и проживающие в интернатах.	Профориентационная деятельность является одной из функций Государственной службы занятости (ГСЗ) при МТСЗН Азербайджана, которая проводит мероприятия по профессиональной ориентации граждан, ищущих работу, молодежи, взрослых. Участникам мероприятий разъясняется текущее положение на рынке труда, дается информация о наиболее востребованных профессиях и специальностях, рекомендации в связи с выбором сферы работы, а также информация об услугах, предоставляемых ГСЗ. Одна из наиболее важных целевых групп — школьники, которым необходима помощь при выборе нужной профессии, а также их родители, которым даются подробные сведения о специальностях, наиболее востребованных и перспективных для работы и успешного карьерного роста. В течение 2018 года с участием профессиональных тренеров, психологов и профессиональных специалистов в 263 общеобразовательных школах республики проведены мероприятия на тему: «Правильный профессиональный выбор - ключ к вашему будущему», «Роль родителей в профессиональном выборе». Всего за 2018 год к профориентации привлечены 75 284 представителя молодежи, в основном старшеклассники, а за 4 месяца с начала 2019 года - более мероприятиях привлечены около 32 тысяч 850 человек, их которых более 22 тысяч - представители молодежи. В соответствии с п. 22.3обновленного Закона о занятости» АзР подготовлены «Правила оказания профориентационных консультативных услуг».	www.social.gov.az

5. Plans of the government and other key stakeholders regarding further development / revision of skills anticipation and matching mechanisms: architecture of system and objectives; coordination and integration of information and analysis; capacity development and resources; systematic links with career information and guidance, and other skills matching policies and instruments (in LLL perspective).

Please select from the list:

a) Labour market information system: development, strengthening of methods and institutional capacity; new types of data and analysis: please describe.

















- b) Concrete studies and analyses related with occupational and skills demand, supply and mismatch: please indicate regular and sporadic studies and analyses in the period 2017-2019, carried out by different public and non-public bodies and institutions are national, sectoral and regional / local levels.
- c) Dissemination of results from various LMI mechanisms, analyses for end-users (learners, employers, workers, education and training providers, career advisors, others), such as: websites, analytical publications, user-friendly reports and insights adapted for various users' needs.
- d) Coordination, cooperation, networking for improved skills anticipation and matching system and its performance: improved mechanisms for joint planning, sharing and debate of results of analyses on labour market and skills anticipation; improved involvement of important policy institutions, agencies, statistical services, social partners, sectoral committees and other stakeholders.
- e) Other initiatives contributing to improve and innovate skills anticipation; and for use of results for planning and review of policies, programmes and concrete actions (such as development of occupational standards).

Labour market information system: development, strengthening of methods and institutional capacity; new types of data and analysis: please describe.

В 2016-2018 годах предприняты ряд шагов в направлении создания обновленной информационной системы рынка труда.

Указом Президента АзР № 1138 от 6 декабря 2016 года утверждена «Стратегическая дорожная карта (СДК) по развитию профессионального образования и обучения в Азербайджанской Республике». Одной из стратегических целей СДК является согласование спроса и предложения на квалифицированную рабочую силу на рынке труда, т.е. адаптация системы подготовки кадров к требованиям рынка труда. Для имплементации этой цели в Плане действий СДК (пункт 1.1.1) намечены меры по мониторингу рынка труда, выявлению стратегических направлений занятости и прогнозированию потребности в рабочей силе с необходимыми навыками. Для реализации этих мер Министерством труда, как основным исполнителем п.1.1.1, предусмотрено создание Национальной обсерватории рынка труда.

Намерения МТСЗН относительно создания Национальной обсерватории рынка труда, деятельность которой будет направлена на развитие системы мониторинга и прогнозирования рынка труда и выработку обоснованной аналитики для поддержки принятия решений по разработке и реализации эффективной политики занятости, нашли свое отражение и в новой «Стратегии занятости Азербайджана на 2019-2030 годы», утвержденной 30 октября 2018 года. К настоящему времени при поддержке ЕФО подготовлена Концепция и соответствующий пакет документов по учреждению Национальной обсерватории рынка труда, представленный на утверждение в аппарат Президента.

Достижение приоритетных целей политики социально-экономического развития Азербайджана, отраженных в стратегических дорожных картах, в краткосрочной, среднесрочной и долгосрочной перспективе (2017-2025гг.) непосредственно связано с потребностью в квалифицированных трудовых ресурсах, обеспечивающих инновационное развитие отраслей экономики. Для поддержки экономической диверсификации и эффективной реализации мер, предусмотренных в Стратегии занятости, необходима постоянная адаптация навыков к потребностям развивающейся экономики. Это обусловливает наличие определенной экосистемы, основными компонентами которой являются: 1) мониторинг рынка труда, выявление стратегических направлений занятости и прогнозирование потребности в рабочей силе с необходимыми навыками; 2) разработка для актуальных на рынке труда навыков профессиональных и соответствующих квалификационных стандартов, основанных на компетенциях; 3) проведение существенных реформ в системе ПОО, направленных на формированию национальной системы квалификаций для обучения в течение всей жизни, признания и сертификации компетенций, полученных неформального и информального образования; 4) внедрение новых инновационных технологий мониторинга рынка труда, потребностей работодателей в навыках и оказания услуг в сфере занятости; 5) совершенствование нормативно-правовой базы и институциональной базы, направленной на регулирование рынка труда; 6) разработка эффективных механизмов социального партнерства с миром труда и образования и др.



















6. Proposals of the country team regarding development / reform of skills anticipation and matching towards a more systematic, i ntegrated and networked approach (architecture of system, objectives, coordination and integration of information and analysis, capacity development and resources, systematic links with matching and education and training policy (in LLL perspective).

Please take a wider perspective, focus on the important priorities for a period of 2-3 years, and based on realistic assumptions.

Proposed outline:

a) Wider objective(s) of improved skills anticipation and matching system

Проект ЕС, целенаправленный на поддержку создания и ввода в действие Национальной обсерватории рынка труда Азербайджана

b) Main actions and milestones for development of skills anticipation and matching

- определить конкретные инструменты, методологии и индикаторы;
- провести работу по созданию web-портала, предназначенного для всех категорий пользователей;
- провести тренинги персонала;
- начать первые аналитические работы по анализу спроса и предложения.

c) Involved institutions and stakeholders

Министерство труда и социальной защиты населения и по мере необходимости социальные партнеры

d) Development of analytical capacity of key institutions

- Аналитические инструменты для анализа и прогнозирования рынка труда;
- Программное обеспечение для формирования национальной базы данных;
- Обучение использованию аналитических и программных средств;
- Пилотирование аналитических и программных средств.

e) Resources

Техническая поддержка ЕФО и доноров.