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Measures to be taken to protect jobs, support employment and social security in Azerbaijan

The Decree #1950 of the President of the Republic of Azerbaijan dated March 19, 2020 regulates a number of measures to reduce the negative impact of the coronavirus pandemic (COVID-19) and, as a result, sharp fluctuations in world energy and stock markets for the economy of the Republic of Azerbaijan, macroeconomic stability, employment and entrepreneurship.

The Action Plan of the Cabinet of Ministers dated April 4, 2020, in order to implement the Decree #1950 of the President, includes large-scale, effective and efficient measures to reduce the negative impact of the coronavirus pandemic (COVID-19) on the national economy, employment and entrepreneurship.

According to the Action Plan, the **Ministry of Labor and Social Protection** of the Republic of Azerbaijan will take measures in the following areas to support employment and social security, including protection of employees from unemployment risks and provision of social protection:

- ▶ Relevant measures will be taken in April-May in order to avoid unjustified dismissals, redundancies of employees in a public sector, as well as to preserve salaries of the employees sent on vacation. The measures will affect 910,000 employees of the public sector.
- ▶ Daily monitoring with employers will be held in April-May in order to avoid unjustified dismissals and redundancies of employees in a private sector.

The following will be envisaged on behalf of the Ministry of Labor and Social Protection in the field of employment and social protection of the unemployed and persons, dismissed from work:

- ▶ The provision of temporary employment to unemployed persons on these work places by establishing 50,000 paid public work places. AZN 30,000,000 will be allocated on these purposes;
- ▶ In April-May 2020, persons registered as unemployed in the State Employment Service under the Ministry of Labor and Social Protection (600,000 persons) will receive a lump sum per each month in the amount of the subsistence minimum (AZN 190). AZN 70,000,000 will be allocated on these purposes;
- ▶ The provision of the expansion and acceleration of the self-employment program implemented in the collaboration with Unemployment Insurance Fund, the Development Program of the United Nations and World Bank. The program will affect 11,000 persons current year and AZN 70,000,000 will be allocated to the account of the Unemployment Insurance Fund;
- ▶ The expansion of unemployment insurance benefits, and the establishment of a proactive support mechanism in this area. This measure will affect 20,000 persons in April-December of current year and AZN 20,000,000 will be allocated from the Unemployment Insurance Fund on these purposes;
- ▶ During the special quarantine regime payments will continue for those, who have paid unemployment insurance contributions but have not been provided with work, and for those who have taken a break in professional qualification courses – scholarships will continue to be paid. On this area measures will affect 2000 persons in April-May of the current year

The following will be envisaged on behalf of the Ministry of Labor and Social Protection in order to strengthen social protection of the vulnerable groups of the society:

- ▶ The use of AZN 200,000,000 from the reserves (established in 2019) of the State Social Protection Fund (SSPF) for the period from April until December 2020 in order to eliminate the deficit and ensure the sustainability of social payments (pensions and benefits) to the population in the face of reduced insurance contributions.
- ▶ The continuation of the provision of targeted state social assistance to families whose social assistance ends during the special quarantine regime until the end of the special quarantine regime, and simplification of targeted state social assistance during this period. AZN 3,000,000 will be allocated on these purposes from the (SSPF).

The Action Plan indicates the provision of social service at home for lonely people older than 65 as well and the provision of the services in social care facilities for persons who need special care.

Practise areas:

Employment

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