

**Ministry of Labour and Social Protection of Population
of the Republic of Azerbaijan**

United Nations Development Programme

**Development of National Social Protection System
and Implementation of selected activities
of the National Employment Strategy**

Brief description

The project was signed by the Government of Azerbaijan and United Nations Development Programme on 18 July 2002 and is being successfully implemented. This project includes measures directed towards addressing issues of targeted social protection of the population, development of a rehabilitation system for the disabled, preparation and implementation of an employment policy for the country, and employment creation proposals for vulnerable population groups. The project will provide work experience and on-the-job training schemes based on the experience of Beautiful Bulgaria project, construct new rehabilitation centres, conduct labour market research (Labour Force Survey) and develop vocational training system in Azerbaijan.

Signature Page

Country: *Azerbaijan Republic*

UNDAF Outcome /Indicator:

The effective and transparent management of oil resources leads to increased decent employment in the non-oil sectors (black gold is converted into human gold)

Indicators: Reduced rate of unemployment of population, including of youth, IDPs and refugees, with consideration of gender aspects

Expected Outcome(s)/Indicator (s):

CP Outcome 1.1: Effective and transparent management of state oil and pipeline revenues contribute to development in the non-oil sectors

CP Outcome 1.2 Indicator: Employment in the non-oil sectors increases. Unemployment rate (baseline 10.7% -2003)

Expected Output(s)/Annual Targets

1. Preparation of Activity Plan upon approval of NES
2. Implementation of work experience and on-the-job training schemes based on the experience of Beautiful Bulgaria
3. Construction of new rehabilitation centres
4. Development of vocational training system
5. Conduction of second countrywide and gender-disaggregated Labour Force Survey
6. Establishment of a Labour Market Research and Analysis Unit
7. Outcome Evaluation of the Project

Implementing partner:

Ministry of Labour and Social Protection of Population

Programme Period: <u>2005-2006</u> Programme Component: _____ Project Title: Development of National Social System and Implementation of the selected activities of the National Employment strategy Project ID: <u>00011280</u> Project Duration: <u>31 December 2006</u> Management Arrangement: <u>NEX</u>
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Budget	\$ 2,530,000
General Management Support Fee	\$ 93,250
Total budget:	\$ 2,530,000
Allocated resources:	
• Government	\$ 1,865,000
• Regular	\$ 665,000
• Other:	
o Donor	_____
• In kind contributions	_____
Unfunded budget:	_____

Agreed by	Name/Title	Signature	Date
UNDP	Mr. Marco Borsotti Resident Representative		<u>22 June 2005</u>
Government of Azerbaijan	Mr. Ali Nagiyev Minister		<u>23 June 2005</u>

Section I – Elaboration of the narrative

1.1. Background

Project 00011280 - “Development of National Social Protection System” signed by the Government of Azerbaijan and United Nations Development Programme on 18 July 2002 is being successfully implemented. This project includes measures directed towards addressing issues of targeted social protection of the population, development of a rehabilitation system for the disabled, preparation and implementation of an employment policy for the country, and employment creation proposals for vulnerable population groups

Implementation of the “State Programme on Poverty Reduction and Economic Development (SPPRED) in the Azerbaijan Republic for 2003-2005” under Presidential Decree of 20 February 2003, adoption of the “State Programme (2004-2008) for socio-economic development of regions of the Azerbaijan Republic” approved under the Decree of 11 February 2004 by the President of the Azerbaijan Republic, Decree of 24 November 2003 by the President of the Azerbaijan Republic on “Accelerating the measures for socio-economic development in the Azerbaijan Republic”, and ratification of the European Social Charter reviewed by the country, have facilitated the implementation of project 00011280 “Development of National Social Protection System”. To continue some of the activities of this project during 2005 an agreement on allocation of additional \$2,530,000 has been reached (\$665,000 by UNDP and \$1,865,000 by the Azerbaijan Government). These additional funds will be directed towards the following activities:

- Preparation of Activity Plan for implementation of the NES
- Work experience and on-the-job training schemes
 - ◆ Development and implementation of specific “pilot” programmes to promote new employment opportunities for vulnerable groups in Azerbaijan
 - ◆ Improving workforce capabilities and enhancing employability of the unemployed people based on the experience of “Beautiful Bulgaria”
- Development of rehabilitation system for the disabled in the regions of Azerbaijan
- Establishment of centers on vocational and skill training for job seekers and the unemployed
- Labour market research
 - ◆ Conducting countrywide and gender-disaggregated Labour Force Survey
 - ◆ Establishment of a Labour Market Research and Analysis Unit in the Ministry of Labour and Social Protection of Population (MLSP)
 - ◆ Conduct of labour-market related research →
- Formulation of consultation centers and labor exchanges for the unemployed →
- Outcome Evaluation of MLSP-UNDP Project

Government will make investments during 2005/06 under the “State Programme to finance measures related to the social protection of the disabled”, and “The State Programme to finance measures related to the protection of job seekers and unemployed” under the February 17, 2005 Resolution #09 confirmed by the Cabinet of Ministers of the Azerbaijan Republic.

1.2. Situation Analysis

The development of a socially oriented market economy and the new stage of economic relations in Azerbaijan call for improvements in the social protection system.

Milestones gained over the last ten years as well as changes in people's lives and the community overall, are followed by positive achievements in the current socio-economic realities. Developments since independence, social and economic reforms as well as those related to state building have enabled preparing and implementing improved and better targeted national policies.

The transition to the market economy and dynamic changes happening in the social sphere is a complicated and multifold process. One of the main directions to regulate this process is to prepare a NES aimed at the social efficiency of employment and effective use of labor resources.

For this purpose a Coordinating Commission enacted by the Cabinet of Ministers of the Azerbaijan Republic by the Decree #171 of 22 August 2003 was established in order to develop the NES within the framework of the project 00011280 -"Development of the National Social Protection System of the Azerbaijan Republic" signed between the Government of Azerbaijan and the United Nations Development Programme (UNDP). To assist the project implementation, this Commission established Working Groups consisting of representatives from related governmental structures, non-governmental organizations, international organizations, as well as Confederation of Trade Unions.

On the basis of the reports prepared by the Working Groups on the current status of employment, including macroeconomic policy and employment, overall macroeconomic factors, specific macroeconomic factors influencing the labor market, main directions of the NES, the improvement of social protection of vulnerable groups, including the unemployed, a draft NES for the Republic of Azerbaijan was prepared. The mentioned draft prodoc considers creation of at least 600,000 job places over five years thereafter, basing commitments and prognosis made within the Decree of 24 November 2003 on "Accelerating the measures for socio-economic development in the Azerbaijan Republic", and Decree of 11 February 2004 on "the State Programme (2004-2008) on Socio-Economic Development of the Regions of the Azerbaijan Republic". On 24 July 2004 the Strategy was submitted to the Cabinet of Ministers. Having been reviewed in due order in the Cabinet of Ministers, NES was submitted to the President's Apparatus on 24 December 2004.

Employment creation is a key condition to reduce unemployment. It is therefore envisaged that once the NES is approved short and long term Activity Plans will be prepared and that this project can assess and recommend certain activities, such as training, and business support services to be implemented as pilot activities. The assistance may also be provided to recommend and help with implementation of certain public works activities. Therefore an analysis of the labor market will be conducted and its needs will be assessed, vocational training courses on new technologies will be organized, implemented and this system will be improved.

With that end in view, to date 15 limited liability companies have been founded employing hundreds of Azerbaijan nationals within 00011280 Project "National Social Protection System" between the Government of Azerbaijan and the United Nations Development Programme (UNDP) in line with the "State Programme on Poverty Reduction and

Economical Development in the Republic for the years 2003-2005” and with development of national social protection system in the Azerbaijan Republic. By supporting employment creation for the unemployed people and improvement of workforce capabilities of the poor, the project contributes to the achievement of the current State Programme on Poverty Reduction and Economic Development as well as providing input for the proposed ten year Sustainable Human Development strategy aligned with the country's localised Millennium Development Goals to be formulated in 2005 for the period from 2006 to 2015.

During the first phase of the project the Government of Azerbaijan undertook various commitments such as signing the "The Declaration on Rights of the Disabled" adopted by the General Assembly of UN and in the Copenhagen World Summit, national legislation, as well as presidential decrees and orders aimed at addressing issues facing the disabled.

In order to improve living conditions and increase opportunities to reintegrate disabled into society rehabilitation centers have been constructed and equipped, with financial support of UNDP, in Shaghan, Sumgayit, Ali-Bayramli, Nakhichevan, Sheki for the disabled under the “The State Programme to prevent invalidity and ensure rehabilitation of the invalids for 1999-2002” enacted by presidential decree 155 of May 14 1999. In order to further improve rehabilitation opportunities for the disabled at a local level, new rehabilitation centers will be constructed in more regions of the country.

During the previous phase of the project staff of the MLSPP was provided with training opportunities and a great deal of work was undertaken in relation to the obtaining and analyzing and creating a database on disabled. While much has been completed there is still a need for this work to be ongoing.

Part II – Strategy

The following actions taken by the Government of Azerbaijan confirm its interest in the implementation of a phase II of this project.

- Successful implementation of the first phase of project 00011280 - “Development of National Social Protection System” signed between the Government of Azerbaijan and UNDP in July 2002 which was extended till 2009 in April 2005.
- The Government's commitment to the implementation of obligations assumed on joining “The Declaration on Rights of the Disabled”, adopted by the General Assembly of UN as well as the Copenhagen World Summit.
- Ratification of the European Social Charter re-reviewed by the country;
- Implementation of the “State Programme on “Poverty Reduction and Economic Development in the Republic of Azerbaijan for 2003-2005 (SPPRED)”;
- Formulation of a new 10-Year Sustainable Sustainable Human Development strategy aligned with the country's localised Millennium Development Goals for 2006 - 2015.
- Implementation of the State Programme on social and economic development of regions (2004-2008);
- Enactment of "The law on employment", "The law on information, dissemination and protection of information".
- Enactment of Resolution #09 of February 12, 2004 issued by the Cabinet of Ministers for implementation of the “State Programme to finance measures related to the social protection of the disabled“ and “The State Programme to finance measures related to the protection of job seekers and unemployed“;
- Fulfillment of the Activity Plan on the Implementation of the “State Youth Policy“;

- The first nationwide Labor Force Survey undertaken by the State Committee on Statistics in 2003 with financial assistance of UNDP and technical assistance of ILO. The second Labour Force Survey will be conducted in 2005.

The development and implementation of phase II of the project 00011280 - "Development of National Social Protection System" will continue the efforts undertaken during the past 3 years with regard to increasing the provision and efficiency of the national social protection system. Considering the request of the Government of Azerbaijan, UNDP has decided to render further assistance. The implementation of planned policy changes and other measures are very important.

Main objectives

The principal aim of creating new employment opportunities for vulnerable population groups as a part of targeted social assistance and active employment policy measures is to ensure their social protection by reducing poverty and overall unemployment rates in the country. The NES coordinates the implementation of special policy measures that would ensure the realization of citizens' productive and freely chosen employment rights. One of the main goals of the NES is to create new workplaces for those who face difficulties in finding jobs and who are in special need of social protection. Various regions of the country would benefit from these job-creation measures, which would be carried out with the active involvement of the Employment Service. It should be noted that disabled people having the capacity to work, refugees, IDPs and youth will be given preference.

Development of the rehabilitation system for the disabled in the Republic is part of the reforms taking place in the social sphere. The construction of rehabilitation centers in Baku, Sheki, Nakhchivan, Ali-Bayramli, Sumgayit within the first phase of the project 00011280 will enhance their medical rehabilitation opportunities. The construction and provision of new rehabilitation centers in other regions, appropriate furniture, medical, curative-diagnostic equipment will be possible due to internal financial resources as well as financial assistance of international donor organizations such as UNDP.

Taking into consideration the objectives of Millennium Development Goals (MDGs), the target of the national policy is to implement comprehensive measures to reduce poverty. Improvement of a national social and economic protection system and reducing unemployment are aimed at reducing poverty. The main outputs of NES will be designed towards improving vocational training, strengthening of institutional bases of employment service and the creation of employment. It is planned to develop a National Activity Plan, once the NES is approved.

The formulation of a labor market based on modern economic demands, improving the vocational training system, developing self-employment in traditional occupations, are integral parts of the NES. Reforms taking place in all economic spheres and development in the private sector have increased demand for skilled workers in the labor market. Development of the vocational training system for the unemployed plays an important role in providing the job-seekers and unemployed with appropriate jobs. As a result of implementation of this output, the vocational education systems organized by Employment Service will be further upgraded as well as regional centers on vocational and skills education, consultation services and labor exchanges for the unemployed will be established.

Intended Overall Outcome:

Provision of better-targeted assistance for the groups of population who are in special need of social protection and implementation of improved employment policies.

Output 1 – Upon approval of the NES, to assist with preparation of the Activity Plan.

Activities:

- 1.1. To assist with development of the Activity Plan for implementation of the NES;
- 1.2. Choose components of the Activity Plan to be developed for implementation of the as soon as the Strategy is approved by the Government of Azerbaijan;
- 1.3. To prepare proposals aimed at creation of employment for the vulnerable groups;
- 1.4. To develop resource mobilization in order to fund activities related to employment generation.

Output 2 – To implement work experience and on-the-job training schemes components of the “Beautiful Bulgaria” Project in selected regions of Azerbaijan for improvement of workforce capabilities and enhancement of employability of the unemployed people

Activities:

- 2.1. Develop and implement pilot programmes to promote new employment opportunities for vulnerable groups in Azerbaijan
- 2.2. Invite a consultant from UNDP Bulgaria and/or Ministry of Labour of Bulgaria to advise on the possible application of the BB Project
- 2.3. Design and implement projects in the selected regions branding Beautiful Azerbaijan (selected regions)

Output 3 – To continue construction and equipping of Rehabilitation Centres in the regions. These centers will provide relevant rehabilitation activities for disabled people in order to facilitate their integration into the society. (Full treatment of this contingent will be funded from MLSPP financial allocations).

Activities:

- 3.1 Construction of the new Rehabilitation Centers and a sport -health center for the disabled;
- 3.2 Provision of the necessary equipment;
- 3.3 Provision of the on-the-job training to staff on usage of new equipment and procedures.

Output 4 – To develop the vocational training system, revitalize and improve the efficiency of the Employment Service, in particular, provision of vocational training course, considering the number of youth who face difficulties in finding jobs and, and to meet demands for vocational training and retraining, taking into account relevant changes happening in the labor market.

Activities

- 4.1. Establishment (construction and equipment) of regional vocational training schools for the job-seekers and unemployed, advertise/promote the courses and provide the training.
- 4.2. Development of training courses and training materials for training of job-seekers and unemployed.
- 4.3 Establishment of a labor market exchange and consultation centers for job-seeking citizens.

Output 5 – To conduct second countrywide and gender-disaggregated Labour Force Survey (LFS)

Activities:

- 5.1 Recruit an international consultant to provide technical assistance and quality control
- 5.2 Conduct LFS to provide the accurate measure of job-creation
- 5.3 To promote the results of the Labour Force Survey if completed this year to be fed into the formulation of the ten year Sustainable Development Strategy which commences in 2006
- 5.4 to conduct survey on labour-market related issues

Output 6 –To establish a Labour Market Research and Analysis Unit (LMRAU)

- 6.1. Recruit an international consultant to advise on the establishment of a LMRAU
- 6.2. Purchase necessary equipment and software
- 6.3. Provide training to the staff of the Unit

Output 7 – Outcome Evaluation of the Project

Activities:

- 6.1. Identify and agree the timing for the evaluation with UNDP
- 6.2. Recruit an international consultant to conduct evaluation and agree on timing
- 6.3. Publish brochures and booklets on the project achievements

Part III - Management Arrangements

The phase II of this project will also be executed by the Ministry of Labor and Social Protection of Population (MLSPP) on behalf of the Government of Azerbaijan as per defined rules and UNDP execution procedures. The Government's request for assistance from UNDP stems from its recognition of UNDP's institutional capacity building and experience in this field. UNDP's neutrality and absence of any interest other than national development and good governance have also been taken into account.

The MLSPP on behalf of the Government will facilitate all the expert and technical missions to be undertaken within the context of the project and will ensure access to relevant data and agencies.

The MLSPP, on behalf of the Government, will provide all required counterpart services for the implementation of the project as well as part of the inputs specified as the Government contribution. The project is subject to joint reviews by the representatives of the Government of Azerbaijan and UNDP, which will be held, at least, once a year.

The project will be formulated on the basis of the joint review by the MLSPP on behalf of the Government and by UNDP. It will be monitored according to the relevant UNDP Rules and Procedures for National Execution (NEX) projects. To conduct the Labour Force Survey, a Project Advisory Board will be established. It will be comprised of MLSSP, UNDP, State Statistics Committee, SPPRED Secretariat and UNFPA (providing the technical assistance and quality control)

The timely implementation of the project will to a large degree depend on the cooperation between the interested parties. Given the importance of the matters to be tackled it is crucial that the proposals and findings of the project enjoy ultimate support at the top level of government and are pursued for implementation.

Government inputs:

The selection of participants for the vocational training process taking into account those suggested by UNDP. All participants must be closely connected with their professions at present and with future plans.

MLSPP will identify focal points who will work closely with UNDP staff during the life of the project. Focal points are of great importance from the viewpoint of the project's implementation, as well as with regard to training and they must have a proven work record.

MLSPP will provide support to UNDP in identifying national experts. Such experts, Government authorities and representatives from the private sector should have a clear understanding of the Government's policy in this area. Other issues will be addressed through joint efforts by international and national experts.

The MLSPP will also provide a National Project Director (NPD) over the implementation period and pay his/her salary.

The MLSPP will also be involved in the following:

- provision of administrative support to organize training activities;
- distribution of materials for training courses;

- provision of special attention to ensure gender equality at the selection stage of training participants;

The government's financial contribution to the project will be US \$1,865,000.

UNDP inputs:

The UNDP will contribute US \$665,000 to the project and also have input into the following:

- recruitment of staff and international/national experts;
- briefing of international and national experts;
- arrangement of training activities, selection of equipment suppliers and organization of courses;
- implementation of control over the quality of the project outputs by the MLSPP leadership.

Part IV - Monitoring and Evaluation

The project will be monitored according to the relevant UNDP Rules and Procedures for National Execution (NEX) projects. The National Project Coordinator (NPC) shall undertake regular project visits and monitor progress benchmarks and ensure that periodic progress and technical reports are received and interpreted. NPC shall ensure quarterly review of work plan and ensure annual project review meeting.

NPC shall have a system for tracking commitments against budget to prevent overspending commitments and make inventory of equipment and property. NPC is responsible to manage the status of expenditures against budget.

For recruitment of project staff and contracting, UNDP experience will be applied and NPC shall ensure the written job descriptions for all consultants and experts.

NPC will inform the Project Advisory Board established to conduct a second Labour Force Survey about the progress of the survey.

A reporting system that tracks all commitments and expenditures against budget lines will be provided in accordance with standard forms of UNDP.

Schedule of planned inputs

Programme/project number: 00011280
Programme/project title: Development of National Social Protection System
Executing Agency: Government: (Ministry of Labor and Social Protection of Population)

Government of Azerbaijan

Period	Amount (in thousand USD)*
III quarter 2005	200
IV quarter 2005	800
I quarter 2006	500
II quarter 2006	200
III quarter 2006	100
IV quarter 2006	65

UNDP

Period	Amount (in thousand USD)*
III quarter 2005	100
IV quarter 2005	200
I quarter 2006	150
II quarter 2006	150
III quarter 2006	30
IV quarter 2006	35

*Currency rate defined by UNDP on the date of bank transfer:

Agreed by	Name/Title	Signature	Date
UNDP	Mr. Marco Borsotti Resident Representative	_____	_____
Government of Azerbaijan	Mr. Ali Nagiyev Minister	_____	_____

SECTION II : RESULTS AND RESOURCES FRAMEWORK

PROJECT RESULTS AND RESOURCES FRAMEWORK

<p>Intended outcome: Improvement of the social protection status for the most vulnerable groups in Azerbaijan through the provision of better targeted assistance and implementation of relevant employment strategy.</p> <p>Outcome Indicator: improvement of rehabilitation system for the disabled; creation of new jobs for the unemployed in special need of social protection and their involvement in public works; production of NES Activity Plan based on national economic and social development, and improvement of vocational training system for the job-seekers and unemployed</p> <p>Applicable MYFF service line – Pro-poor policy reforms</p> <p>Partnership strategy: The project implementation process is based on close dialogue between the Government (ML.SPP as executing agency) and the international community under UNDP leadership.</p> <p>Project Title and ID: 00011280 – Development of National Social Protection System and Implementation of selected activities of the National Employment Strategy (Phase II)</p>		
	<p>Intended outputs:</p> <p><u>Output 1.</u> Preparation of Activity Plan upon approval of the NESpursuant to the Azerbaijan Republic's Employment Law and the "State Programme on "Poverty Reduction and Economic Development".</p>	<p>Output targets</p> <p>To produce a conceptual document to implement the new NES.</p> <p>To apply the NES.</p> <p>To generate employment for the most vulnerable groups of the Azerbaijan nationals in special need of social protection.</p> <p>To improve the social protection status of the most vulnerable groups of the Azerbaijan nationals through the provision of better targeted assistance</p>
	<p>Indicative activities</p> <p>1.1 To assist in development of the Activity Plan for implementation of NES focusing on provision of employment;</p> <p>1.2 Choose components of the Activity Plan to be developed as soon as the Strategy is approved by the Government of Azerbaijan;</p> <p>1.3 To prepare proposals aimed at creation of jobs for vulnerable groups;</p> <p>1.4 To prepare programmes for the implementation of selected proposals related to employment generation (in cooperation with local and international experts);</p>	<p>Inputs</p> <p>71200</p> <p>71300</p>

	and implementation of relevant employment policies.	1.5 To develop resource mobilization in order to fund activities related to development of employment	
<p><u>Output 2.</u> To implement work experience and on-the-job training schemes based on the "Beautiful Bulgaria" Project in selected regions of Azerbaijan for improvement of workforce capabilities and enhancement of employability of the unemployed people.</p>	To increase employment rate	<p>2.1 Invite two experts for a two-week mission from UNDP Bulgaria and /or Ministry of Labour of Bulgaria to advise on the possible application of the BB Project.</p> <p>2.2. Design and implement projects in the selected regions branding Beautiful (selected regions)</p>	<p>71200</p> <p>72100</p> <p>71300</p>
<p><u>Output 3.</u> To continue construction and equipping of new Rehabilitation Centers and a sport-health center. These centers will provide relevant rehabilitation activities for disabled people in order to facilitate their integration into the society. (Full treatment of this contingent</p>	To construct and equip new rehabilitation centers and a sports-health center for the disabled in the regions	<p>3.1 Construction of new Rehabilitation Centers and a sport –health center for the disabled;</p> <p>3.2 Provision of the necessary equipment;</p> <p>3.3 Provision of the on-the-job training to staff on usage of new equipment and procedures.</p>	72100

<p>will be funded from MLSPF financial allocations).</p>			
<p>Output 4. To develop the vocational training system, revitalize and improve the efficiency of the Employment Service, in particular, provision of vocational training course, considering the number of youth who face difficulties in finding jobs and, and to meet demands for vocational training and retraining, taking into account relevant changes happening in the labor market.</p>	<p>To promote active participation of the unemployed and job seekers in the labor market and to upgrade the vocational training system.</p>	<p>4.1. Establishment (construction and equipment) of regional vocational training schools for the job-seekers and unemployed, advertise/promote the courses and provide the training. 4.2. Development of training courses and training materials for training of job-seekers and unemployed. 4.3 Establishment of a labor market exchange and consultation centers for job-seeking citizens.</p>	<p>72100 72200 71300</p>
<p>Output 5. To conduct second countrywide and gender-disaggregated Labour Force Survey (LFS)</p>	<p>To provide the accurate measure of job-creation</p>	<p>5.1. Recruit an international consultant to provide technical assistance and quality control 5.2. Conduct LFS to provide the accurate measure of job-creation 5.3. To promote the results of the Labour Force Survey if completed this year to be fed into the formulation of the ten year Sustainable Development Strategy which commences in 2006 5.4. Conduct survey on labour market related issues</p>	<p>71200 72100</p>

<p><i>Output 6</i> – To establish a Labour Market Research and Analysis Unit (LMRAU)</p>		<p>6.1. Recruit an international consultant to advise on the establishment of a LMRAU 6.2. Purchase necessary equipment and software 6.3. Provide training to the staff of the Unit</p>	<p>71200 72200</p>
<p><i>Output 7</i> – Outcome Evaluation of the Project</p>	<p>To evaluate the project outcomes</p>	<p>7.1. Identify and agree the timing for the evaluation with UNDP 7.2. Recruit an international consultant to conduct evaluation and agree on timing 7.3. Publish brochures and booklets on the project achievements</p>	<p>71200 71300 72100</p>

SECTION III : THE TOTAL WORKPLAN AND BUDGET

Intended Outcome	Indicative Activities	Budget Line	Budget by finance base (\$)	
			Govt of Az.	UNDP TOTAL
To improve the social protection status for the most vulnerable groups in Azerbaijan through the provision of better targeted assistance and implementation of relevant employment policies.	1.1 To assist in development of the Activity Plan for implementation of NES focusing on provision of employment;			
	1.2 Choose components of the Activity Plan to be developed as soon as the Strategy is approved by the Government of Azerbaijan;	71200	50,000	50,000
	1.3 To prepare proposals aimed at creation of jobs for vulnerable groups;	71300		
	1.4 To prepare programs for the implementation of selected proposals related to employment generation (in cooperation with local and international experts);			
	1.5 To develop resource mobilization in order to fund activities related to development of employment.			
	2.1 Invite two experts for a two-week mission from UNDP Bulgaria and /or Ministry of Labour of Bulgaria to advise on the possible application of the BB Project.	71200		
	2.2. Design and implement projects in the selected regions branding Beautiful (selected regions	72100 71300	100,000	100,000
	3.1. Construction of new Rehabilitation Centers and a sport -health center for the disabled;	72100	1,671,750	1,871,750
	3.2. Provision of the necessary equipment;	72200	200,000	
	3.3. Provision of the on-the-job training to staff on usage of new equipment and procedures.			

	4.1. Establishment (construction and equipment) of regional vocational training schools for the job-seekers and unemployed, advertise/promote the courses and provide the training.	72100	100,000	195,000	295,000
	4.2. Development of training courses and training materials for training of job-seekers and unemployed.	72200			
	4.3 Establishment of a labor market exchange and consultation centers for job-seeking citizens	71300			
	5.1. Recruit an international consultant to provide technical assistance and quality control	71200			
	5.2. Conduct LFS to provide the accurate measure of job-creation	72100		65,000	65,000
	5.3. To promote the results of the Labour Force Survey if completed this year to be fed into the formulation of the ten year Sustainable Development Strategy which commences in 2006				
	6.1. Recruit an international consultant to advise on the establishment of a LMRAU	71200			
	6.2. Purchase necessary equipment and software	72200		30,000	30,000
	6.3. Provide training to the staff of the Unit				
	7.1. Identify and agree the timing for the evaluation with UNDP	71200			
	7.2. Recruit an international consultant to conduct evaluation and agree on timing	71300		25,000	25,000
	7.3. Publish brochures and booklets on the project achievements	72100			
	GMS-General Management Services		93,250		93,250
	TOTAL		1,865,000	665,000	2,530,000

Signature Page

Country: *Azerbaijan Republic*

UNDAF Outcome /Indicator:

The effective and transparent management of oil resources leads to increased decent employment in the non-oil sectors (black gold is converted into human gold)
Indicators: Reduced rate of unemployment of population, including of youth, IDPs and refugees, with consideration of gender aspects

Expected Outcome(s)/Indicator (s):

CP Outcome 1.1: Effective and transparent management of state oil and pipeline revenues contribute to development in the non-oil sectors

CP Outcome 1.2 Indicator: Employment in the non-oil sectors increases. Unemployment rate (baseline 10.7% -2003)

Expected Output(s)/Annual Targets

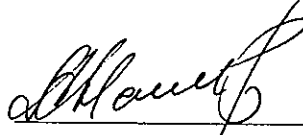
1. Preparation of Activity Plan upon approval of NES
2. Implementation of work experience and on-the-job training schemes based on the experience of Beautiful Bulgaria
3. Construction of new rehabilitation centres
4. Development of vocational training system
5. Conduction of second countrywide and gender-disaggregated Labour Force Survey
6. Establishment of a Labour Market Research and Analysis Unit
7. Outcome Evaluation of the Project

Implementing partner:

Ministry of Labour and Social Protection of Population

Programme Period: <u>2005-2006</u> Programme Component: _____ Project Title: Development of National Social System and Implementation of the selected activities of the National Employment strategy Project ID: <u>00011280</u> Project Duration: <u>31 December 2006</u> Management Arrangement: <u>NEX</u>
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Budget	<u>\$ 2,530,000</u>
General Management Support Fee	<u>\$93,250</u>
Total budget:	<u>\$ 2,530,000</u>
Allocated resources:	
• Government	<u>\$1,865,000</u>
• Regular	<u>\$ 665,000</u>
• Other:	
o Donor	_____
• In kind contributions	_____
Unfunded budget:	_____

Agreed by	Name/Title	Signature	Date
UNDP	Mr. Marco Borsotti Resident Representative		_____
Government of Azerbaijan	Mr. Ali Nagiyev Minister		_____