



Country: AZERBAIJAN
Initiation Plan

Project Title: Promoting Innovation and Employment in Azerbaijan

Expected CP Outcome(s): 2011-2015 CP Outcome 1.2: National strategies, policies, and capacity to address regional and gender disparities in decent work opportunities are strengthened, with a focus on increasing the ability of vulnerable groups to manage and mitigate risks

Initiation Plan Start Date: March 2011

Initiation Plan End Date: December 2011

Implementing Partners: UNDP, Ministry of Labour and Social Protection, SYSLAB

Brief Description

The project addresses the challenge of fostering a more innovative spirit, further reduce the unemployment rate and strengthen technology based SMEs in Azerbaijan. The project is implemented jointly with the Ministry of Labour and Social Protection of the Population and is based on the SYSLAB (Systems Laboratory for Innovation and Employment). The concept includes modern job-seeking methods, entrepreneurship, systematic business and person-to-person networks and modern sales techniques etc. The project envisages establishment of the three training centres for employment, entrepreneurship and SME-development based on this innovative concept.

Programme Period:	2011-2015
CPAP Programme Component:	_____
Atlas Award ID:	00061428
PAC Meeting Date	27 January 2011

Total resources required	110,000
Total allocated resources:	110,000
• Regular	10,000
• Other :	
o SYSLAB/NMFA	100.000

Agreed by UNDP: Fikret Akcura, Resident Representative

I. PURPOSE

Following the first difficult years of economic transition Azerbaijan succeeded in restoring economic stability and maintained exceptionally high rates of growth averaging almost 20 per cent per year in 2003-2007, resulting in per capita income of US\$4,840, which placed Azerbaijan among the ranks of upper-middle-income countries.

Economic dynamism generated largely by the windfall of oil revenues was supported by effective structural policies tackling regional inequalities across the country. The growth of employment together with targeted social protection has led to improvements in living standards and reduction of the earlier high levels of poverty. The rate of unemployment declined from 10.7 per cent in 2003 to 6 per cent in 2009.

Among the main challenges that the country faces are development of competitive non-oil production sectors, significant enhancement of the skill base of the work force and creation of employment outside the oil economy, particularly in regions to alleviate the heavy concentration of economic activity in the capital Baku.

Policies and specific measures promoting job creation and supporting job seekers in the labour market are formulated in the National Employment Strategy (NES) for 2006-2015 developed with the support of UNDP. The main expected outputs of NES are improved vocational training, strengthened institutional base of the employment services and creation of employment.

The purpose of this project is to support implementation of the National Employment Strategy and contribute to job creation and local/regional business development by providing motivated and competent work force. The purpose of the Initiation Phase is to pilot the Syslab approach by operationalising a training centre in Baku, analyse the lessons learnt and adjust the methodology, if need be. After Baku two additional centres in selected regions of Azerbaijan will be established to verify and securely transfer the method, and by this ensure lasting capacity building and strengthening regional employment networks.

II. EXPECTED OUTPUT

This Initiation Plan is introduced in order to achieve the following two objectives:

1. Operationalise the Project Management Unit; and
2. Operationalise Baku training centre and pilot Syslab employment tool.

The expected output will be the package of innovative employment methodology adapted to the context of Azerbaijan, through piloting at Baku Vocational Education Centre, for further replication in other regions of Azerbaijan. This package will include the course curriculum, materials, and toolkits as adapted to the country context and tested in Baku.

UNDP will proceed as follows to achieve the expected deliverables:

Phase I. Operationalization of the Project Management Team, March 2011 – May 2011

1. Recruitment and employment of project management

- Develop and advertise Terms of Reference for the position of the Project Manager and Project Management Assistants
- Interview and recruit the project team

2. Training of management team

- Organize training visit to SYSLAB Oslo

- Organize training in Baku
- Translate and adapt SYSLAB Quality Assurance -manual

3. Selecting and preparing premises for the Baku training centre

- Select suitable premises
- Renovate the premises, if needed

4. Purchase of equipment for the Baku training centre

- Conduct needs assessment
- Procure the equipment items, furniture, books and other materials as needed

Phase II. Piloting the Syslab methodology, June 2011 – December 2011

1. Recruitment and training of 40 unemployed in Baku

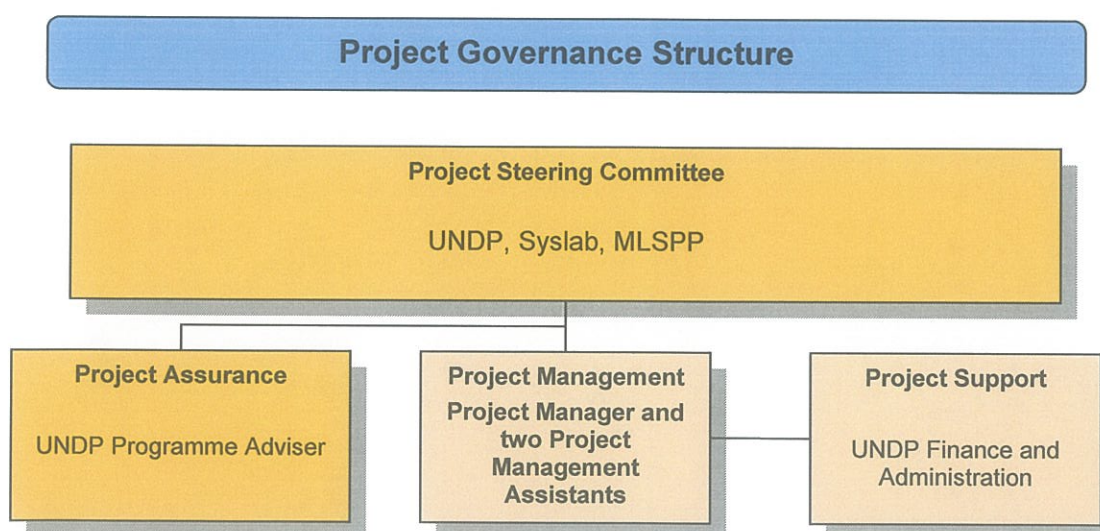
- Selecting a heterogenous group of unemployed based on applications and interviews
- Provide training to the groups according to the SYSLAB method

2. Finalization of the pilot stage

- Based on the feedback from the training, organize a meeting of key stakeholders to analyse the lessons learnt from the Baku pilot,
- Finalize the approach and methodology for replication in other regions

III. MANAGEMENT ARRANGEMENTS

I. Project Governance. The project will be governed by the Steering Committee, a decision-making body for the project, including the representatives of the Ministry of Labour and Social Protection, Syslab and UNDP. For the purposes of Initiation Plan, UNDP will serve as the Implementing Agency and will be responsible for providing procurement, recruitment and financial services in compliance with UNDP policies and procedures. The Governance Structure is as follows:



II. Project Management. Project Manager (PM) will be recruited and tasked with the day-to-day management of project activities, as well as with substantive, financial and administrative reporting. PM will be responsible for project implementation, routine management and monitoring. His/her primary responsibility is to ensure that the planned outputs are produced by undertaking necessary activities in accordance with the project plan and meeting the required standards of quality and within the specified constraints of time and cost.

III. Project Assurance. UNDP will designate a Programme Advisor to provide independent project oversight and monitoring functions, to ensure that project activities are managed and milestones accomplished. The UNDP Programme Advisor will be responsible for reviewing the project reports, produced by the PM.

IV. Project Support. UNDP will provide financial and administrative support to the project including procurement, contracting, travel and payments.

V. Expert support. Expert support will be provided by Syslab in addition to providing methodology material and channelling from Norwegian Ministry of Foreign Affairs. The expenses of this expert support is covered by NMFA and consists of:

- Management selection and training. SYSLAB will participate in the selection and training of permanent staff in The Baku SYSLAB centre. The training will be conducted in Oslo and followed up in Baku
- Adaptation of methodology. SYSLAB will assist Azeri staff and partners in adapting the methodology to the cultural and business requirements in Azerbaijan.
- Quality Assurance. SYSLAB experts will regularly follow up the operations in Azerbaijan to ensure the efficiency in terms of results, operation and co-operation with partners.

IV. MONITORING

In accordance with the programming policies and procedures outlined in the *UNDP User Guide*, the project will be monitored through the following:

- PM will carry out on-going monitoring and quality assurance, along with the oversight of daily project implementation.
- PM will submit Project Progress Report (PPR) at the end of the initiation plan, using the standard report format available in the Executive Snapshot;
- With inputs from PM, Issue Log shall be activated in Atlas and updated to facilitate tracking and resolution of potential problems or requests for change;
- With inputs from PM, Risk Log shall be activated in Atlas to capture the potential risks on the implementation of both the piloting activities and the future full-fledged project. Risk Logs will be regularly updated by reviewing the external environment that may affect the project implementation;
- With inputs from PM, Project Lessons-learned log shall be activated and regularly updated to ensure on-going learning and adaptation within the organization.

V. ANNUAL WORK PLAN

Project Title: Promoting Innovation and Employment in Azerbaijan

Year: 2011

EXPECTED OUTPUTS And baseline, indicators including annual targets	PLANNED ACTIVITIES List activity results and associated actions	TIMEFRAME				RESPONSIBLE PARTY	PLANNED BUDGET	
		Q1	Q2	Q3	Q4		Funding Source	Budget Description Amount
<p>Output 1: Innovative employment methodology adapted to the context of Azerbaijan, through piloting at Baku Vocational Education Centre, for further replication in other regions of Azerbaijan</p> <p>Baseline: There is at the moment no centre for employment, entrepreneurship and SME-development based on this innovative concept.</p> <p>Indicators: Management Team in place – Y/N</p> <p>Targets: Management team trained, and premises fully equipped and operational</p> <p>Related CP outcome: 2011-2015 CP Outcome 1.2: National strategies, policies and</p>	<p>Activity Result 1.1: Operationalization of the Project Management Team</p> <p>Activity actions:</p> <ul style="list-style-type: none"> - Recruitment and employment of project management - Training of management team; - Selecting and preparing premises for the Baku training centre; - Purchase of equipment for the Baku training centre. 	X	X			UNDP	SYSLAB SYSLAB UNDP SYSLAB SYSLAB	71300 Contractual services – Individuals Travel Equipment and Furniture Equipment and Furniture Facilities and Administration 33,458 10,000 10,000 45,000 6,215

capacity to address regional and gender disparities in decent work opportunities are strengthened, with a focus on increasing the ability of vulnerable groups to manage and mitigate risks		X	X	X	UNDP	SYSLAB SYSLAB	Miscellaneous Facilities and Administration	5,000 327
TOTAL								110,000