Azerbaijan

The social security system is administered by the following institutions:

The Ministry of Labour and Social Protection of the Population is responsible for the elaboration and implementation of employment policy, labour policy, social security policy, analysis of the current social situation, preparation of new concepts and drafting of laws and realization of projects. According to the Decree of the President of the Republic of Azerbaijan (# 603, 16 February 2011), the ministry has been restructured and policy and implementation functions in social security were separated. Social security policy covers social assistance and benefits as well as social services for vulnerable groups.

State Employment Service of the Ministry of Labour and Social Protection of Population with its local branch offices is responsible for the administration of the unemployment benefit scheme, the payment of unemployment benefits and provision of services for unemployed persons (including training) as well as the creation of new jobs.

State Labour Inspection Service of the Ministry of Labour and Social Protection of Population is responsible for state supervision of implementation of labour legislation and the protection of the labour rights of citizens. This service deals with issues related to labour protection, working conditions, labour relations, payment of wages, social insurance, and occupational health and safety. It has 23 regional offices and one laboratory.

State Social Security Service of the Ministry of Labour and Social Protection of Population which provide services and activities for vulnerable group of population (e.g. social services, social assistance, rehabilitation, vocational training, leisure activities).

The employers are responsible for the payment pensions to working pensioners, cash sickness benefits and some other benefits.

The State Social Protection Fund (SSPF) is responsible for the financing of pensions and other social security benefits (unemployment and other), determining entitlement, calculate the benefit and arrange payment. It has 81 local offices. The fund collects social insurance contributions and arranges transfers of income from the state budget to post offices and employers.

Health care insurers the organisation of health care is divided according to the following classifications:

- mandatory medical insurance for non-working people: organised by the local authorities;
- mandatory medical insurance for workers organised by employers: applies to all legal entities (irrespective of property form) and persons legally involved in free enterprise activity.

Reflection on social security organization

It is evident that responsibility for the administration of social security is fragmented and requires a large number of staff. Weaknesses in the system are being exposed by the growth of private sector employment and increased labour mobility. This has implications for maintaining records of insurable employment and contributions as well as for identifying and enforcing liability. Computerised databases for insured persons, beneficiaries (pensioners) and employers should be established to replace reliance on employer's records and the labour book. However these reforms must be preceded by the revision of the administrative procedures and more fundamentally of the institutional division of responsibilities.

Ministry of Labour and Social Protection of Population (MLSPP)

85, Salatin Askerova str. AZ1009, Baku, Republic of Azerbaijan, phone: (99412) 596 50 23, 596 50 38, 596 80 17 fax: (99412) 596 80 17 web site: <u>www.mlspp.gov.az</u>

State Social Protection Fund (SSPF)

80, Zardabi ave. Baku, AZ 1122 Republic of Azerbaijan, phone: (99412) 4346018, 4346072 fax: (99412) 4345587 web site: <u>www.sspf.gov.az</u>

Ministry of Finance (MF):

83, Samed Vurgun Str. Baku, Republic of Azebaijan, phone: (99412) 4044699 web site: <u>www.maliyye.gov.az</u>

Ministry of Health (MH)

1A, akad. M.Mirgasımov str, AZ 1022, Baku, Republic of Azebaijan. Tel: (99412) 441 26 03 Fax : (99412) 493 06 95 Web site: www.health.gov.az

ORGANIZATION OF SOCIAL PROTECTION



SSPF – State Social Protection Fund MH – Ministry of Health