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15th National Report on the implementation of
the European Social Charter

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THE GOVERNMENT OF THE REPUBLIC OF AZERBAIJAN

Articles 4, 5, 6, 21, 22, 26, 28 and 29
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THE FIFTEENTH REPORT
OF THE REPUBLIC OF AZERBAIJAN ON THE IMPLEMENTATION
OF THE
ARTICLES 4, 5, 6, 21, 22, 26, 28 AND 29
OF THE EUROPEAN SOCIAL CHARTER (REVISED)

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Article 4 – The right to a fair remuneration

With a view to ensuring the effective exercise of the right to fair remuneration, the Contracting Parties undertake:

- 1) to recognize the right of workers to remuneration will give them and their families a decent living standard;*
- 2) to recognize the right of workers to increase the rate of remuneration for overtime work, subject to exceptions in particular cases;*
- 3) to recognize the right of men and women workers to equal pay for work of equal value;*
- 4) to recognize the right of workers to a reasonable period of notice for termination of employment;*
- 5) to permit deductions from wages only under conditions and to the extent prescribed by national laws or regulations or fixed by collective agreements or arbitration awards.*

The exercise of this right shall be achieved by freely concluded collective agreements, by statutory wage-fixing machinery, or by other means appropriate to national conditions.

Paragraph 1. To recognize the right of workers to remuneration will give them and their families a decent living standard

a) Protection of labor rights of citizens of the Republic of Azerbaijan, meeting the material and social needs of employees, and ensuring a decent living standard are among the priorities of the socio-economic policy pursued in the country. In recent years, the state has taken systematic and purposeful measures to ensure equality of rights of participants of labor relations, the protection of their legitimate interests, and the creation of legal guarantees for the fulfillment of obligations under the employment contract.

The insurance-pension system, which has been implemented in the country since 2006 and is based on individual accounting in the state social insurance system, has enabled more effective provision of pension and other social security measures for employees.

In the period 2006-2017, the minimum wage level increased 3.9 times (AZN 30 in 2006, AZN 116 in 2017), the average monthly wage in the country increased 3.5 times (AZN 149 in 2006, AZN 528.5 in 2017), the poverty rate in the country was below 6 percent and the unemployment rate remained below 5 percent.

The "Strategic Road maps for the National Economy and Key Sectors of the Economy" approved by the Decree of the President of the Republic of Azerbaijan No. 1138 dated December 6, 2016, defines the provision of the Azerbaijani economy with a competitive workforce, developing social dialogue and expanding inclusive employment through institutions that ensure the implementation of flexible policy in the labor market, increasing the level of labor productivity as a result of efficient use of labor resources as a key strategic goal and priority.

To achieve the stated goals, the country continues to take measures to prevent informal employment, improve the quality of labor resources and increase economic activity, strengthen social protection of job seekers and the unemployed, and improve the institutional environment to match the dynamics of demand and supply in the labor market.

In the last three years, the minimum wage has doubled from 130 to 250 manats, and from 1 January 2022 it is equal to 300 manats, with the average salary in the country reaching 363.6 manats (including 390 manats for public sector, 330 manats for private sector).

Minimum monthly wage:

1. By Presidential Order No. 3112 dated August 31, 2013 - 105 manats
2. By Presidential Order No. 2608 dated January 21, 2017 - 116 manats
3. By Presidential Order No. 3545 dated December 25, 2017 - 130 manats
4. By Presidential Order No. 937 dated February 8, 2019 - 180 manats
5. By Presidential Order No. 1265 dated June 18, 2019 - 250 manats
6. By Presidential Order No. 3051 dated December 17, 2021 - 300 manats.

Minimum wage and average wage indicators **The ratio of the net minimum wage to the net average wage**

Years	Net minimum wage		Net average wage, manat		Ratio, %
	In the non-state, non-oil and gas sector (specific weight 42%)	In other sectors (specific weight 58%)	In the non-state, non-oil and gas sector (specific weight 42%)	In other sectors (specific weight 58%)	
2018	124,15		468,07		26,5
2019	186,22		576,06	545,61	33,3
2020	233,75	226,75	625,81	590,30	38,0

As of March 1, 2019, the minimum monthly wage in the Republic of Azerbaijan has been increased by 38.5 percent and reached the subsistence level of 180 manats, and from September 1, it has been increased to 250 manats by 38.9 percent.

The national subsistence level for 2021 was set at 196 manats, the minimum wage (250 manats) that year was 27.6% above the subsistence level.

As a result of the increase in minimum wage and wages over the last two years, the ratio of the net minimum wage to net average wage increased from 26.5% in 2018 to 38%.

Years	Minimum monthly salary, manat	Average monthly salary, manat
2018	130 (from January 1)	544,6
2019	180 manat (from March 1) 250 (from September 1) (average annual 195 manat)	635,1
2020	250 manat	707,7

As the wages of part-time workers by labor legislation are paid in proportion to the time spent performing their work functions, there are cases when the monthly salary of employees who earn the minimum wage and above is less than the minimum wage. Countrywide analysis was performed using the "Employment Contract Notification" sub-system, and cases where the employers unreasonably kept the wage level below the minimum wage were investigated and necessary measures were taken to address these issues.

As a result of updating by these employers of the relevant information in the electronic system (basically, cancellation of inactive employment contracts, clarification of salary indicators in active contracts, etc.), the number of employees earning below the minimum wage in the "Employment Contract Notification" subsystem has decreased significantly as compared to 2020 indicators. Currently, the number of employees earning below the minimum wage in the electronic system is less than 1% of the employees, which is related to part-time work.

At the same time, in order to ensure support to "employment and social welfare" during the COVID-19 pandemic, 12 measures were implemented in 4 areas, which covered 48% of the country's population, or 4.8 million people.

Due to tightening of the special quarantine regime, the unemployed and those who couldn't earn income were identified through electronic systems based on special criteria, and a lump-sum payment in the amount of minimum subsistence (190 manats) was paid to them. In April-May 2020, 600 thousand low-income people belonging to this category received these lump sum payments, residents of the regions with a strict quarantine regime received this payment 6 times. In 2020, a total of 450 million manats were spent on one-time payments of 190 manats.

During the COVID-19 pandemic, employees' leave entitlements were guided by:

1. Granting and payment of unused leaves;
2. Pursuant to Article 146 of the Labor Code (regulation of group leave of employees in connection with the termination of work at the enterprise), in the event of a disruption in the normal functioning of an establishment, caused by natural disasters, industrial accidents, and other problems which cannot be corrected promptly due to operational shutdowns caused by circumstances beyond the employer's control, employees may be sent in groups on paid or unpaid leave in accordance with the terms and procedures stipulated in collective agreements or, in their absence, then in employment contracts. In this

- case, the duration of unpaid leave must be no less than the base leave for two years;
3. Unpaid leave at the request of employees in accordance with article 130 of the Labor Code;
 4. Administration of leaves during the "COVID-19" pandemic in accordance with the Labor Code.

b) and c) The Law of the Republic of Azerbaijan No. 875-IVQD dated December 27, 2013 "On Amendments to the Labor Code of the Republic of Azerbaijan" established a legal basis for creating an electronic information system for labor contract notifications and in accordance with the amendments made to Article 12 of the Labor Code, the inclusion of labor contract notifications to the relevant electronic information system was included in the responsibilities of employer. According to the first paragraph of Article 49 of the Labor Code, the conclusion of an employment contract, amendments to it, or its termination takes effect after the registration of such a change in the information system and after the relevant electronic notification is sent to the employer.

This system has a positive effect on preventing violations of workers' rights, strengthening control over employer-employee relations, more accurate analysis in the fields of activity, improvement of quality of work on regulating economic development, and indirectly improves social welfare.

One of the basic conditions of employment contract is defining working hours, and working schedule, no employment contract can be concluded and formalized without defining working hours. The "Employment Contract Notification" subsystem has also been established based these principles so that it is not possible to conclude an employment contract without including information on working hours into the system.

Employment of workers with a wage below the national minimum wage (excluding part-time workers) in agriculture, domestic services, housework and care, temporary work, and similar fields is unacceptable. The situation in this field is regularly monitored by the Ministry of Labor and Social Protection of the Republic of Azerbaijan through the "Employment Contract Notification" sub-system. In addition, according to Article 192.3 of the Code of Administrative Offenses, officials are fined from one thousand to one thousand five hundred manats for paying an employee a salary below the minimum wage. According to Article 9 of the Labor Code, joining trade unions or other representative bodies or public organizations, taking part in strikes, meetings, gatherings and other mass actions arranged by these organizations or by the labour collective are among the basic rights of employees.

The terms of a collective contract and agreement concluded in accordance with the Labor Code are binding on the parties and the workplaces to which these terms apply. The terms of the collective contract and agreement that aggravate the situation of employees with respect to labor, social and economic norms stipulated in the Labor Code and other normative legal acts, are invalid.

In accordance with Article 34 of the Labor Code, control over the implementation of collective agreement is exercised by the parties and the Ministry of Labor and Social Protection of Population of the Republic of Azerbaijan. All necessary information should be provided to the supervisory authorities. The parties must report to the workers' collective on the implementation of the collective agreement within the period specified in the contract, but not less than once a year.

Paragraph 2. Higher remuneration for overtime work

a) and b) We note that the system of labor legislation of the Republic of Azerbaijan does not limit the application of flexible work, regarding the recognition of the right of employees to higher wages for overtime work, as well as the possibility to work in flexible working hours. For example, the Resolution No. 2 of the Cabinet of Ministers of the Republic of Azerbaijan dated January 9, 2004, approved the system, types, and amount of remuneration of medical workers financed from the budget, so pursuant to paragraph 1.3 of this decision, doctors and nurses regardless of the type and location of medical institutions, are engaged in the "home duty" work regime, if necessary. An employee working in this regime is on duty for a certain period of time in a non-working area with a known address (for instance, at home), ready for a call, and is called to work if necessary.

During the COVID-19 pandemic, a special working (labor) regime was implemented by the decision No. 122 of the Cabinet of Ministers dated March 31, 2020. By this Decision:

- "List of state bodies (institutions) whose heads and employees are engaged in works during the special quarantine period declared in the territory of the Republic of Azerbaijan" was determined;
- heads of state agencies (institutions) included in the above-mentioned list engaged a limited number of workers to ensure the operation of those agencies (institutions) and provided additional days off during the year to the employees for the days they have been engaged in works (connected with 50% strict and 30% mild quarantine regimes);
- the salaries of employees not engaged in works in state bodies (institutions) were maintained;
- employers operating in the private sector were recommended to maintain the salaries of their employees not engaged in works, except those allowed to operate in the private sector;
- where possible, work at home, including in the form of remote work or telework was ensured for employees not directly engaged in works;
- due to the special work regime, the 2019-2021 production calendar and working time norms were not changed.

Besides, in order to strengthen the social protection of health workers engaged in the fight against the pandemic (COVID-19), they have been given the following amounts of supplements starting from 1 March 2020:

- to employees taking preventive medical measures - up to 3 times the monthly wage;

- to medical workers who provide emergency medical services, as well as laboratory workers engaged in the examination of biological material, including employees of the Forensic Medicine, Expertise and Pathological Anatomy Association and Azerbaijan Food Safety Institute - in the amount equal to 4 times the monthly salary;

- to employees providing inpatient medical services to patients - in the amount of 5 times the monthly salary.

To minimize the negative effects of the pandemic on the Azerbaijani economy, the Action Plan "On measures to reduce the negative impact of the coronavirus pandemic and, consequently, sharp fluctuations in world energy and stock markets on the economy of the Republic of Azerbaijan, macroeconomic stability, employment issues and entrepreneurship subjects in the country" was approved by Order No. 135s of the Cabinet of Ministers dated April 4, 2020, in connection with the implementation of paragraph 10.2 of Order No. 1950 of the President of the Republic of Azerbaijan dated March 19, 2020.

The Action Plan envisaged relevant measures in the following three areas:

1. Support the economic growth and entrepreneurship

1.1. Measures in this area cover the following areas:

- 1.1.1. emergency coordination of economic entities;
- 1.1.2. protection of jobs and social stability;
- 1.1.3. increasing transparency in the economy;
- 1.1.4. providing tax incentives for the protection of economic activity;
- 1.1.5. provision of state credit and guarantee support to the economy and entrepreneurship;
- 1.1.6. expanding access to credit resources on favorable terms for the economy and entrepreneurs;
- 1.1.7. implementation of additional support measures in the areas affected by the pandemic;
- 1.1.8. implement urgent measures to introduce a new model of economic growth in the post-pandemic period.

2. Support the employment and social welfare

2.1. Measures in this area cover the following areas:

- 2.1.1. protection and social protection of public sector employees from the risk of unemployment;
- 2.1.2. protection and social protection of employees in the private sector from the risk of unemployment;
- 2.1.3. employment and social protection of the unemployed;
- 2.1.4. strengthening the social protection of vulnerable groups.

3. Macroeconomic and financial stability

In connection with the rules of working hours in the field of on-call service, we declare that duration, start and end of daily working hours, time and duration of breaks, the number of daily shifts, queuing documents and preparation, transfer from one shift to another, aggregated record of working hours, replacement of working days with days off (compensation payment) and the number of working days per week are determined by internal disciplinary rules or an employment contract, collective agreement.

Provided that the working hours do not exceed the working hours determined in the legislation, an aggregated accounting of working time can be used during the registration (accounting) period. In this case, the registration (accounting) period cannot exceed one year and the daily working (shift) period cannot exceed 12 hours. The employee must have a daily rest time of at least 12 hours between two consecutive workdays. The rest periods of the employees during normal working hours are arranged with the relevant shift schedules. In the consolidated working hours accounting, days off are granted according to the shift schedule agreed with the trade union organization. In workplaces where there is no union organization, this rule is regulated by the employment contracts.

For each hour of work performed at night, the employee is paid 20 percent of his/her hourly rate (position) salary, 20 percent of the employee's hourly rate (position) salary for each hour of work in the evening shift of the multi-shift work regime, and 40 percent – in the night shift. In enterprises, departments and organizations financed from the budget, additional payment for night time and multi-shift work shall be paid at this level, and in other enterprises, departments and organizations not less than this level. .

According to paragraph 3 of Article 2 of the Labor Code, one of the basic principles of labor relations is the principle of the inadmissibility of formalization of labor relations by civil law contracts.

According to Article 14.2.1 of the Civil Code of the Republic of Azerbaijan, contracts and other transactions (excluding employment contracts) stipulated in the legislation, and contracts and other transactions that are not envisaged in the legislation, but are not contrary to the legislation, constitute the basis for the formation of civil rights and obligations.

According to Article 6.2 of the Civil Code, individuals and legal entities acquire and exercise civil rights in accordance with their will to realize their interests. They are free to determine their rights and obligations on a contractual basis and to set any contract terms that don't contradict the law.

Work and rest regime of the individuals working under civil law contracts are regulated by the conditions specified in these contracts. Following the above-mentioned changes in the legislation, many employers replace civil law contracts with employment contracts in accordance with the requirements of the law and hold consultations with the Ministry of Labor and Social Protection of Population. Civil law agreements concluded within the framework of these consultations are examined and the terms of these agreements are provided in accordance with the requirements of the Civil Code of the Republic of Azerbaijan.

Paragraph 3. Non-discrimination between women and men as regards remuneration

a) In accordance with Article 3 of the Law of the Republic of Azerbaijan "On Ensuring Gender Equality (Men and Women)", all forms of discrimination based on gender are prohibited. According to Article 9 of the same law, equal salary or wages, as well as bonuses and other incentive payments shall be paid to employees having the same qualifications for performing the same job of the same value in the same working conditions, regardless of gender. In case of differing salary or wages, bonuses and other motivating payments, the employer shall justify on demand of an employee that the reasons of difference are not on grounds of gender. According to the types of economic activity in 2018, the average monthly nominal salary of women was 360.8 manat, the average monthly nominal salary of men was 670.2 manat, in 2019 women's average monthly nominal salary was 443.4 manats, men's average monthly nominal salary was 764.8 manats, and in 2020 women's average monthly nominal salary was 525.6 manats, while men's average monthly nominal salary was 830.2 manats.

According to Article 16 of the Labor Code, no discrimination among employees shall be permitted on the basis of citizenship, sex, race, nationality, language, place of residence, economic standing, social origin, age, family circumstances, religion, political views, affiliation with trade unions or other public associations, professional standing, beliefs, or other factors not related to the professional qualifications, job performance, or professional skills of the employees, nor shall it be permitted to establish privileges and benefits or directly or indirectly limit rights on the basis of these factors.

According to article 244 of the Labor Code, women workers who have children under the age of one and a half shall be given breaks for feeding (breast feeding) their children, in addition to their regular lunch and rest breaks. These additional breaks shall be at least 30 minutes and shall be given every 3 hours. If a woman worker has two or more children who are under the age of one and a half, the duration of such breaks shall be at least one hour. Breaks given for feeding are considered as work, and the average salary of the worker remains the same. At the woman's request, the feeding breaks can be added up to the regular lunch or rest breaks, or they can be taken at the beginning of and/or end of a workday (shift). If the woman would want to take her feeding breaks at the end of the workday, her workday shall be shortened by a time equal to the total of the feeding breaks. During the COVID-19 pandemic, the rights of men and women workers to equal pay for equal work were protected by law, and discrimination in employment was not allowed.

b) As surveys and practice show, women do not prefer to work in jobs that require heavy physical labor, use of special clothing, overtime work, and tend to choose lighter and less stressful jobs. At the same time, it is necessary to take into account that the salaries of more than half of the workers in the country's economy working in the fields of education, culture, health, recreation, entertainment, and arts, are financed by the state budget and are below the national average.

Personnel working in this field get the same salary according to their position, regardless of gender.

In 2020 the World Bank provided technical assistance in order to "eliminate legal barriers to women's employment in Azerbaijan". The technical support aimed to expand women's employment opportunities in the country, ensure gender equality and women's employment in higher-paid areas, and ensure women's labor rights in accordance with international labor standards. The legislative drafts prepared in this regard were agreed upon with the Ministries of Justice, Foreign Affairs, Economy, Health, the State Committee for Family, Women and Children Affairs, and social partners (ATUC and AEC) and were submitted to the Cabinet of Ministers of the Republic of Azerbaijan. The drafts envisage the amendments to several articles (211, 240, 243 and 244) of the Labor Code of the Republic of Azerbaijan, and repeal of Article 241, abolition of the "List of productions, professions (positions), as well as underground works with harmful and difficult working conditions where the use of women's labor is prohibited" approved by the Resolution of the Cabinet of Ministers No. 170 dated October 20, 1999 (containing 674 occupations (positions) and jobs), approval of the list of industries, occupations (positions) with harmful and difficult working conditions, as well as a list of underground jobs (including 204 occupations (positions) and jobs), where the employment of pregnant women or women with children under the age of one is prohibited and the list of harmful factors of production (including 78 harmful production factors) the pregnant women and women with minor children are prohibited to contact with in the workplace. As a result, women's employment opportunities will be expanded, pregnant women and women with minor children will be provided with job security in line with international standards, and the gap between average wages of men and women will narrow.

Paragraph 4. Notification of termination of employment within a reasonable time

a) An employment contract is concluded for an indefinite period or a fixed term. A fixed-term employment contract is concluded for a period agreed upon by the parties. A fixed-term employment contract is considered to be an indefinite-term employment contract if it lasts for more than 5 years without interruption.

Fixed-term employment contract is terminated with the expiration of its term. Subject to the fifth part of Article 45 of the Labor Code, an employment contract shall be considered extended if the employment relationship continues at the end of the term specified in the fixed-term employment contract and neither party requests termination within one week after the expiration.

According to the procedure for termination of an employment contract by an employee, an employee may terminate an employment contract by notifying the employer in writing one calendar month in advance.

If the employee does not specify in the application the date of termination of the employment relationship, the termination of the employment contract on the basis of the application of the employee shall not be allowed until the expiration of the notice period.

An employee who has applied for termination of an employment contract may withdraw the application at any time before the expiration of the notice period or submit a written application to the employer to declare it invalid. In this case, the employment contract can not be terminated, however this case is excluded when the employer has officially notified the employee in writing of the appointment of a new employee to that position.

An employment contract may be terminated on the day specified in the application when the employee retires due to old age, disability, enters the relevant educational institution to continue his/her education, moves to a new place of residence, concludes an employment contract with another employer, has experienced sexual harassment and in other cases.

According to Article 56 of the Labor Code, the employer should notify the employee through written notice or order at least 1 month in advance before any changes in labour terms (except for terms stipulated in Article 55 of the Labour Code). If an employee does not agree to continue working under the new labour terms, he/she should be transferred to another position or in case this is not possible his/her employment contract may be terminated based on item "c" of the second paragraph of Article 68 of the Labour Code.

In accordance with international practice, upon reducing the number of employees or redundancy according to the latest amendments to Article 77 of the Labor Code, prior to the termination of the employment contract by an employer pursuant to Article 70 (b) of this Code, the employee should be officially notified by the employer within the following periods, depending on the length of service determined according to the employment contract concluded with that employer:

- if an employee's years of service are less than one year - at least two calendar weeks;
- should years of service be one to five years - at least four calendar weeks;
- five to ten years of work experience - at least six calendar weeks;
- more than ten years of service - at least nine calendar weeks.

During the notice period, the employee shall be given at least one paid day off during a week to enable him to find appropriate work.

If an employment contract is terminated under Article 70, para. a and b hereof the employer shall pay the employee a severance pay in the following amounts depending on the length of service according to the employment contract concluded with that employer:

- if the length of service is up to one year - in the amount of the average monthly salary;
- if the length of service is from one to five years - at least 1.4 times the average monthly salary;
- if the length of service is from five to ten years - at least 1.7 times the average monthly salary;
- if the length of service is in excess of ten years - at least twice the average monthly salary.

The employer can terminate employment in relevant cases by paying the employee (with his consent) 0.5 times the average monthly salary instead of a required two-calendar-week advance notice, 0.9 of the average monthly salary amount instead of a four-calendar-week notice, 1.4 times the average monthly salary instead of a six-calendar-week notice, two times the average salary amount in place of a nine-calendar-week notice period, and at least one monthly average salary amount instead of a notice period specified under the second part of Article 56 of the Labour Code. In this case, instead of the notification period specified in the first sentence of this section, the payment to be made to the employees whose employment contract is terminated within the notification period is reduced by the portion of the notification period that has expired.

Under the 1st and 2nd measures of the "2. Employment and Social Welfare Support" section of the Action Plan "On measures to reduce the negative impact of the coronavirus pandemic and, consequently, sharp fluctuations in world energy and stock markets on the economy of the Republic of Azerbaijan, macroeconomic stability, employment issues and entrepreneurship subjects in the country" approved by Order of the Cabinet of Ministers No. 135s dated April 4, 2020, in connection with the implementation of paragraph 10.2 of the Presidential Order No. 1950 dated March 19, 2020, the Ministry of Labor and Social Protection of Population was instructed to prevent unjustified dismissal and reduction of public and private sector employees during April-May 2020 (for instance, the provision of guarantees at the termination of employment contracts, proper registration of paid and unpaid leave, establishment of additional conditions in the employment contract for remote work, etc.), measures were taken to ensure that employers work in accordance with the law and to ensure day-to-day control, as well as to maintain the salaries of employees on leave in the public sector. To prevent unjustified reduction of the number of employees by employers, daily monitoring of labor contracts was ensured through the "Employment Contract Notification" subsystem, awareness-raising activities were carried out by contacting employers who unreasonably reduced the number of employees, and recommendations were given to benefit from financial support measures.

The Ministry of Economy, the Ministry of Labor and Social Protection, the National Confederation of Entrepreneurs (Employers) and the Confederation of Trade Unions of Azerbaijan jointly addressed the employers through the "Employment Contract Notification" subsystem. The employers were recommended to adhere to the principles of social solidarity and social responsibility, to be sensitive to employment issues in the fight against the (COVID-19) pandemic, not to ignore the rights of workers and to prevent their dismissal and redundancy. Employers were informed that legal measures would be taken against employers who abused the support measures provided by the state to entrepreneurs in order to reduce the negative impact of the (COVID-19) pandemic on the business environment and who dismissed workers without justification.

During the pandemic (COVID-19) Decision No. 122 of the Cabinet of Ministers of the Republic of Azerbaijan "On regulation of work during the special quarantine

period in the territory of the Republic of Azerbaijan" dated March 31, 2020, kept the salaries of employees not employed in government agencies (organizations) and employers were advised to maintain the salaries of employees not engaged in works in the private sector. Where possible, these employees were allowed to work at home, including in the form of remote work or telework, and the production calendar and working hours of 2020 remained unchanged due to the introduction of a special work (labor) regime. During the COVID-19 pandemic, employees were provided with unused leave, and those who wished were allowed to take leave without pay.

According to Article 53 of the Labor Code, before the end of trial period one of the parties may terminate an employment contract by notifying the other party in writing with three days notice. If one of the parties doesn't request the termination of the employment contract before the end of the trial period, the employee is deemed to have passed the trial period. Once an employee passes the trial period, his employment contract may be terminated only in accordance with the procedure and on the grounds established by the Labour Code. If the employment contract specifies a trial period, the terms for termination of the employment contract by the employer in the event of an unsatisfactory trial period must be indicated. The employment contract of the employee who fails to pass trial period may be terminated by justified order of the employer.

Paragraph 5. To permit deductions from wages only under conditions and to the extent prescribed by national laws or regulations or fixed by collective agreements or arbitration awards

According to Article 175 of the Labor Code, the relevant amounts may be deducted only with the written consent of an employee or by a court decision on the executive documents provided by law, with the exception of cases defined hereby.

Only the following payments are deducted from the employee's salary by the order of the employer:

- a) relevant taxes, social insurance fees and other mandatory payments specified by law;
- b) the amount specified in the executive documents provided by the legislation;
- c) losses incurred by an employer that were caused by the employee (except in cases when the employee bears full material responsibility) in an amount not exceeding the average monthly salary of the employee;
- c) a portion of the vacation pay proportional to the vacation days lost as result of the employee's early resignation;
- d) the balance of the money paid in advance to the employee for business trip which was not reimbursed after his/her return;
- e) overpayments to the employee as a result of mathematical errors by the accountant;
- g) the unused portion of money which was given to the employee for purchase of goods and equipment needed for production and which has not been returned to the employer;
- f) the amount specified in the cases provided for in collective agreements;

- g) membership fees deducted from the salaries of employees who are members of a trade union.

According to Article 176 of the Labor Code, the total amount of all deductions may not exceed 20% of the salary to be paid to the employee and 50% in cases provided for by the relevant legislation.

According to Article 102.1.6 of the Tax Code, if the monthly income of an individual in connection with any hired work at the main place of work (where the employment workbook is) is up to 2,500 manats, the part in the amount of 200 manats, if the annual income is up to 30,000 manats, then the part in the amount of 2400 manats are exempt from income tax.

According to Article 102.2 of the Tax Code, the monthly income taxable from any type of employment of the following individuals is reduced by 400 manat:

- Heroes of the Patriotic War of the Republic of Azerbaijan;
- National Heroes of Azerbaijan;
- Heroes of the Soviet Union and Socialist Labor;
- disabled war veterans;
- widowed wives (husbands) of war participants who were killed at war or died later;
- persons awarded orders and medals for selfless work on the home front in 1941-1945;
- persons awarded with the title of war veterans in accordance with legislation;
- persons who acquired radiation and radiation sickness or had these diseases as a result of accidents at Chernobyl AES, radiation accidents in civil or military atomic facilities, as well as tests, training or other work related to any kind of nuclear facilities (installations) and nuclear weapons and space technology.

The monthly taxable income from any type of employment of people with I and II groups of disabilities (except for persons with war-related disabilities), children with disabilities under the age of 18, one of the parents (according to their own decision), wife (husband), guardian or patron taking care of a person with I group of disability or of a child under the age of 18 with disability with whom they live together and who need a permanent care, shall be reduced by an amount of 200 manats.

The taxable income of the following persons from employment shall be reduced by an amount equal to 100 manats:

- parents of war participants who were killed at war or died later, including parents and not remarried spouses of civil servants who died during the performance of their duties;
- parents and not remarried spouses of persons who were killed as a result of the intervention of the Soviet troops on January 20, 1990, and during the protection of the territorial integrity of the Republic of Azerbaijan;
- military officials involved in the training and test gatherings and military servicemen who were sent to Afghanistan and other countries where war operations were conducted;

- displaced persons and persons of similar status. This privilege in accordance with housing legislation or civil legislation deals is not applicable to persons, residing permanently as a result of obtaining personal dwelling space;
- The taxable monthly income of a spouse caring for three persons regardless of civil degree, including pupils and students under the age of 23, shall be reduced by an amount equivalent to 50 manats.

This rule shall be valid for children until the end of the year when they reach the age of 18, for students — age of 23.

The taxable income of physical persons shall be reduced beginning from the year when children are born or when patronage starts.

When the number of persons under patronage decreases (except in the case of children's death) during a year, the deduction of an amount for the support of persons under patronage shall be terminated starting from the month following the month in which the number of such persons decreased.

Law of the Republic of Azerbaijan "On Amendments to the Law of the Republic of Azerbaijan "On Social Insurance" No. 1360-VQD dated November 30, 2018, optimized compulsory state social insurance contributions for insurers who are not involved in oil and gas sector and belong to the private sector, and as of January 1, 2019, the following rates of compulsory state social insurance contributions were paid from the monthly income of the employed insured persons for 7 years:

Monthly income subject to insurance contributions	Social insurance contribution rate		
	Total	Deducted from the income of the insured	Paid at the expense of the insurer
Up to 200 manats	25 percent	3 percent	22 percent
more than 200 manats	25 percent	6 manats + 10 percent of the part over 200 manats	44 manats + 15 percent of the part over 200 manats

With the introduction of the amendment to the Tax Code of the Republic of Azerbaijan by the Law of the Republic of Azerbaijan No. 1356-VQD dated November 30, 2018, people working in oil and gas sector and those working in the non-government sector are subject to income tax for a period of 7 years, starting from January 1, 2019, according to the following table:

Taxable monthly income	Tax rate
Up to 8000 manats	0 percent

<i>more than 8000 manats</i>	<i>14 percent of the amount over 8,000 manat</i>
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Article 5 – The right to organize

With a view to ensuring or promoting the freedom of workers and employers to form local, national or international organizations for the protection of their economic and social interests and to join those organizations, the Contracting Parties undertake that national law shall not be such as to impair, nor shall it be so applied as to impair this freedom. The extent to which the guarantees provided for in this Article shall apply to the Police shall be determined by national law or regulations. The principle governing the application to the members of the armed forces of these guarantees and the extent to which they shall apply to persons in this category shall equally be determined by national laws and regulations.

a) Article 58 of the Constitution of the Republic of Azerbaijan defines the rights of citizens to association. According to this Article, everyone is free to associate with others. Everyone has the right to establish any association, including political party, trade union and other public association or to join an already existing association. Freedom of activity of all associations is guaranteed.

According to Article 19 of the Labour Code, a trade union may be established on a voluntary basis without discrimination among employees or without getting prior permission of employers. Employees may join the appropriate trade union and engage in trade union activity in order to protect their labour and socio-economic rights and legal interests.

According to Article 21 of the Labour Code, together with trade unions organizations, other representative public self-government agencies and employers' representative units established in line with the legislation may operate at entities according to their charters (regulations). "Public self-government bodies" means other public organizations founded by the participants of labor relations - labor team council, the boards of chairmen (directors), and inventors, rationalizers, women and veterans' societies and creative association - on the basis of relevant normative legal acts.

The Law of the Republic of Azerbaijan "On Civil Service" defines the right of civil servants in state bodies to join trade unions. According to Article 19 of the law, joining trade unions is included in the basic rights of civil servants.

In line with Article 3 of the Law of Azerbaijan Republic on "Trade Unions", workers, pensioners and students have the right to create trade unions on a voluntary basis without discrimination or without prior permission, as well as, to join the appropriate trade union and engage in trade union activity in order to protect their labour and socio-economic rights and legitimate interests. To achieve the objectives set forth in Article 1 of this law at least seven persons have the right to establish a trade union, to voluntarily unite in the relevant trade union organization and approve its statute.

According to this law, persons in a military service in the Republic of Azerbaijan are not allowed to join trade unions. At the same time, we note that there are civilian employees working for military units and enterprises along with militaries, and every military unit and enterprise has an operating trade union that is represented in the United Trade Unions Committee of the Ministry of Defense of the Republic of Azerbaijan. In terms of its membership, this Committee is one of the largest field trade union

committees.

The rights, duties and powers of trade unions are determined by the Law of the Republic of Azerbaijan "On Trade Unions" and their statutes.

Article 5 of the Law of the Republic of Azerbaijan "On Trade Unions" prohibits state bodies and officials from restricting the rights of trade unions and interfering with their activities. Meetings with the Confederation of Trade Unions of Azerbaijan (ATUC) and its member organizations are held in private enterprises, trying to create a "non-union environment", including transnational companies, and the benefits of having a trade union are regularly explained to the employees working there.

In 2018-2020 certain results were achieved in the establishment of trade unions in enterprises and organizations with no trade unions, including private, foreign and joint ventures, transnational companies in the Republic of Azerbaijan. Within three years, 428 new trade union organizations were established, uniting 34,978 trade union members.

Over the last three years, the ATUC and its member organizations have not received any written or verbal appeal from government agencies or other public organizations regarding discrimination in trade union membership.

According to the Law of the Republic of Azerbaijan "On the Status of Military Servicemen", servicemen cannot be members of political parties and mass public movements pursuing political goals. According to Article 32 of the Law of the Republic of Azerbaijan "On Police", a police officer shall not engage in politics or be a member of any political party. The law does not contain provisions restricting the right of police officers to join trade unions to protect their economic and social interests. However, civilian employees working for the police and law enforcement agencies have the right to organize and may voluntarily become members of trade unions.

All teachers working in state-funded educational institutions are members of trade unions. Half of the teachers working in private educational institutions are members of trade unions. The establishment of trade union organizations in enterprises and membership in trade unions is based on the principle of voluntariness in accordance with the Law of the Republic of Azerbaijan "On Trade Unions".

Convention No. 154 of the International Labor Organization (ILO), ratified by Azerbaijan, applies to all areas of economic activity. The extent to which the guarantees provided for in the Convention apply to the armed forces and the police, and the methods of application to the civil service, may be determined by national legislation, rules or practice.

b) During the COVID-19 pandemic, joint meetings were held between the relevant government agencies, the National Confederation of Entrepreneurs (Employers) and the Confederation of Trade Unions of Azerbaijan, and the issues related to the protection of labour rights of employees, prevention of dismissals were discussed in detail. As a result of these meetings, the Ministry of Economy, the Ministry of Labour and Social Protection of Population, the National Confederation of Entrepreneurs (Employers) and the Azerbaijan Trade Unions Confederation jointly addressed the employers through the "Employment Contract Notification" subsystem. The employers were recommended to adhere to the principles of social solidarity and social responsibility, to be sensitive to employment issues in the fight against the (COVID-19) pandemic, not to ignore the rights

of workers and to prevent their dismissal and redundancy. Employers were informed that legal measures would be taken against the employers who abused the support measures provided by the state to entrepreneurs in order to reduce the negative impact of the (COVID-19) pandemic on the business environment, and those who dismissed employees without justification.

In consultation with social partners and representatives of relevant government agencies, the draft Action Plan "On measures to reduce the negative impact of the coronavirus pandemic and, consequent sharp fluctuations in world energy and stock markets on the economy of the Republic of Azerbaijan, macroeconomic stability, employment issues and entrepreneurship subjects in the country" was developed and adopted by the Presidential Order No. 1950 dated March 19, 2020. In fulfilment of this order an Action Plan was adopted by the Order No. 135s of the Cabinet of Ministers dated April 4, 2020. Necessary measures were taken to support economic growth and entrepreneurship, support employment and social welfare, ensure macroeconomic and financial stability, and provide financial support to the unemployed and in other areas specified in the Action Plan.

Article 6 – The right to bargain collectively

With a view to ensuring the effective exercise of the right to bargain collectively, the Parties undertake:

- 1) to promote joint consultation between employees and employers;*
- 2) to promote, where necessary and appropriate machinery for voluntary negotiations between employers and employers' organizations and employers organizations, with a view to the regulation of terms and conditions of employment by means of collective agreements;*
- 3) to promote the establishment and use of appropriate machinery for conciliation and voluntary arbitration for the settlement of labour disputes; and*
- 4) to recognize the right of workers and employers to collective actions in case of conflicts of interest, including the right to strike, subject to obligations that might arise out of collective agreements previously entered into.*

Paragraph 1. Joint consultations

In order to consider issues in social and economic fields with the participation of social partners, and to enable further development of social partnership in the Republic of Azerbaijan, upon the initiative of social partners, by joint decision dated 30 September 2016, N 6 of the Cabinet of Ministers, the Confederation of Trade Unions of Azerbaijan and National Confederation of Entrepreneurs (Employers) Organizations of the Republic of Azerbaijan, a Tripartite Commission on Social and Economic Issues in the Republic of Azerbaijan was established.

The establishment of the Tripartite Commission has been commended as a new stage in the development of the institutional structure for national trilateral social dialogue

by the ILO Director-General Guy Ryder, and the leadership of the ILO Decent Work Technical Support Team and Country Office for Eastern Europe and Central Asia.

The main tasks of the Tripartite Commission include conducting consultations on the development of draft laws and other normative legal acts in the field of social and labor relations, employment of the population, social provision, coordinating the drafting of the General Collective Agreement, assisting in the regulation of social and labor relations at the national level, harmonization of the Parties' positions on the main directions of social policy, discussion of issues arising in the implementation of the General Collective Agreement at the initiative of the Parties, sharing the experience of social partnership, informing the public about the activity of Commission, participation in the activities of international organizations in the areas of social and labor relations and social partnership, learning international experience and holding consultations on issues regarding the ratification and application of international labor norms.

Social partners are equally represented (5 persons from each Party) in the Tripartite Commission. The regulation and activity plan of the Commission have been approved and socio-economic projects on labor, employment and social protection are submitted for discussion to the Commission.

Decisions with regard to social and economic reforms in the country are discussed in the Tripartite Commission on Social and Economic Issues and adopted taking into consideration the position of the trade unions. A broad platform has been set up in the Republic of Azerbaijan, in order to strengthen the principles of social partnership and to enable an independent operation of the trade union organization. On 2018-2019 the Commission held consultations on the draft Law of the Republic of Azerbaijan "On Unemployment Insurance", draft Law of the Republic of Azerbaijan "On Regulation of Debts in Compulsory State Social Insurance System", draft Law of the Republic of Azerbaijan "On Amendments" to the Law of the Republic of Azerbaijan "On Labor Pensions" within the framework of "Concept on the Pension System Reform in 2014-2020 in the Republic of Azerbaijan", transition from informal to formal employment, improvement of the system of registering self-employed persons, draft "Pilot Subsidy Program aimed at Expanding Decent Work Opportunities for the Youth" to be implemented within the framework of "Decent Work Country Program of the Republic of Azerbaijan for 2016-2020", draft Resolution of the Cabinet of Ministers "On Abolishment" of the Resolution of the Cabinet of Ministers dated 20 October, 1999, N 170, on approval of "The list of productions, occupations (positions) as well as underground works with difficult and hazardous working conditions where the employment of pregnant women and women with children under the age of one is prohibited", "List of difficult and hazardous working conditions and production environment factors where the employment of pregnant women and women with children under the age of one is prohibited", and "On Approval of the list of productions, occupations (positions), as well as underground works with difficult and hazardous working conditions where use of female labor is prohibited", the draft amendment to the Resolution of the Cabinet of Ministers of the Azerbaijan Republic dated June 6, 2014 No. 183 "On approval" of notification forms on the employment contract and rules for its inclusion in electronic information system, notification form sent to the employer and the Ministry of Taxes of the Republic of Azerbaijan in connection with registration of the employment contract notification,

including rules on receipt in real time of data of the registered employment contract notification" and other issues.

It should be noted that consultations are held between ATUC and AEC, when necessary.

According to the Labor Code, a collective agreement is concluded at the enterprise level, a sectoral collective agreement - at the sectoral level, and a General Collective Agreement - at the national level.

Since 2000, the General Collective Agreement in trilateral format has been concluded between the Cabinet of Ministers of the Republic of Azerbaijan, the Confederation of Trade Unions of the Republic of Azerbaijan and the National Confederation of Entrepreneurs (Employers) of the Republic of Azerbaijan. At present, the General Collective Agreement for 2020-2022 is in force. A special commission established for the purpose of drafting the General Collective Agreement is comprised of 15 persons representing the parties on equal basis.

Paragraph 2. Bargaining procedures

Joint consultations between the employer and employees are conducted through collective negotiations/bargaining and the conclusion of collective agreements. Consultations are formalized by a collective agreement, and signed collective agreement and annexes to it are submitted to the relevant executive authority by employers within seven calendar days.

As regards joint consultations in civil service, we note that the trilateral General Collective Agreement is concluded between the Cabinet of Ministers of the Republic of Azerbaijan, the Confederation of Trade Unions of the Republic of Azerbaijan and the National Confederation of Entrepreneurs (Employers) of the Republic of Azerbaijan. At present, the General Collective Agreement for 2020-2022 is in force. In order to conduct sectoral consultations Sectoral Collective Agreements are concluded among central executive authorities (state committees, state corporations, companies and offices), occupational and sectoral trade unions' associations. Collective agreements are concluded between employers and trade unions' organization, and in the absence of that organization, between the labor collective.

Since September 2016, the Tripartite Commission on Social and Economic Issues has been operating as a new institutional body of social partnership in the Republic of Azerbaijan. In accordance with the Order of the Cabinet of Ministers of the Republic of Azerbaijan No. 366s dated June 24, 2016, the authority to sign the joint resolution of social partners on establishment of the Tripartite Commission on behalf of the Cabinet of Ministers was granted to the Ministry of Labor and Social Protection of Population. The Cabinet of Ministers, the trade unions and the representative body of employers participate in the Commission on equal footing. Decisions having significant socio-economic importance are taken by the Tripartite Commission based on the views of the social partners.

The following special work (labor) regime has been introduced in the territory of the country during the special quarantine regime (March 31, 2020 - May 4, 2020) by the decision of the Cabinet of Ministers of the Republic of Azerbaijan dated March 31, 2020

No. 122 "On the regulation of the working regime during the special quarantine period in the territory of the Republic of Azerbaijan". By this Decision:

- "List of state bodies (institutions) whose management and if necessary employees are engaged in works during the special quarantine regime declared in the territory of the Republic of Azerbaijan" was determined;
- the heads of state bodies (institutions) referred to in Annex 1 of this Decision shall engage a limited number of employees to ensure the operation of the institution and provide to those employees additional days off during the year for the days they have been engaged in works;
- Salaries of employees not engaged in works within the state bodies and institutions are retained;
- Employers are strictly recommended to maintain the salaries of the employees not engaged in works within the areas other than those permitted under Annex 2 of the Decision;
- where possible, ensuring work from home, including in the form of remote work or telework;
- The 2020 production schedule and production norm remain unchanged.

The following criteria have been taken into account in the application of working regimes:

- a limited number of employees are engaged in works;
- those engaged in works shall work on a rotating/shift basis;
- salaries of employees not engaged in works are retained;
- additional days off are provided to the employees engaged in works;
- employees are provided with personal protective equipment (medical masks, sterile and non-sterile gloves, shoe covers, alcohol or disinfectants, goggles, etc.).

With the letter of the Cabinet of Ministers of the Republic of Azerbaijan dated March 16, 2020, No. 1/384 several important instructions were given to the heads of central and local executive authorities and state bodies:

- establishment of privileged conditions for the engagement in works of employees over the age of 60 and women with small children in the areas where work is permitted,
- where possible, ensuring work from home in the form of remote work or telework,
- prohibiting an employee from attending work in case he/she or any of their family members show symptoms of flu, colds, fatigue etc ;
- suspension of business trips, suspension of trips to foreign countries, except in cases of special urgency;
- postponement of reception of citizens, including mobile receptions in places;
- implementation of uninterrupted reception of citizens' appeals only through electronic and telephone communication, identification of electronic and

telephone contact numbers at every agency (institution) for this purpose, provision of uninterrupted operation of hotlines.

Paragraph 3. Conciliation and arbitration

"The Regulation on Compulsory Arbitration" was approved by the decision of the Board of the Ministry of Labor and Social Protection of Population of the Republic of Azerbaijan dated March 25, 1999 No. 10-1. Should the parties to a collective labour dispute in any of those sectors where strikes are prohibited under legislation (hospitals, power supply, water supply, telephone communication, air and rail transport management service, fire protection service) be unable to resolve it by conciliatory methods, the dispute is submitted to compulsory arbitration.

Compulsory Arbitration is established under the Ministry of Labor and Social Protection of Population of the Republic of Azerbaijan and functions in accordance with its Regulation.

According to official appeal made by one of the disputing parties to the leadership of the Ministry of Labor and Social Protection of Population, a collective labor dispute is submitted for consideration of the compulsory arbitration.

The composition of the compulsory arbitration is approved by the Minister of Labor and Social Protection of Population of the Republic of Azerbaijan in an odd number of not less than five people (chairman and arbitrators) agreed with the disputing parties. The Chairman of the compulsory arbitration is elected by open voting by a majority of votes from member arbitrators.

The composition of the Compulsory Arbitration is determined by the Secretariat in consultation with the parties to the dispute, with participation of equal number of candidates from each party, by drawing lots. The Secretariat then formalizes the selection results and gets the parties to sign the documents.

The composition of the Compulsory Arbitration is not permanent and is established individually for each collective labor dispute. Participation of two representatives from each of the disputing parties is allowed when considering the collective labor dispute in the Compulsory Arbitration. Representatives of the parties have the right to make a statement in the Compulsory Arbitration and to defend the party they represent.

The decision of the Compulsory Arbitration on a collective labor dispute is adopted by the vote majority of the arbitrators. The decision is signed by the arbitrators attending the arbitration.

According to the Labor Code, trade unions' organizations (associations), labor collectives, employers, relevant executive authorities and employers' representative bodies under their authority are entitled to initiate collective negotiations for the preparation, conclusion and making amendment to collective agreements and treaties.

In the absence of trade unions' organization at the enterprise, the decision to hold negotiations, prepare and conclude a collective agreement is adopted by the general meeting (conference) of the labor collective, and the labor collective establishes a specially authorized commission to hold negotiations for this purpose.

The decision on the necessity to prepare and conclude a collective agreement is adopted by the trade unions' organization. The decision on making strikes is adopted at

the meeting (conference) of the employees or by the trade unions' organization (association).

Demands related to non-performance or incomplete execution of collective agreements and treaties, as well as collective demands in connection with other labor and social issues are adopted at the general meeting (conference) of the employees or trade unions' organization (association). The decision is adopted by the majority of votes of employees, however in the trade unions' organization (association) in the way prescribed by its Charter for other decisions.

In addition to making collective demands, employees may design their own authorized representatives to attend negotiations with the employer on their behalf or entrust the conduct of negotiations to the trade unions' organization.

Paragraph 4. Collective activity

According to the Labor Code, employees have the right to strike alone or with others. Since the onset of the collective labor dispute, the right of employees or trade unions organizations to strike emerges.

According to Article 17 of the Labor Code, a strike - a voluntary, temporary refusal of employees to perform their work in whole or in part in order to resolve their collective labor disputes. Employees' strike rights and rules and regulations for strikes are described in detail in the Labor Code.

According to Article 274 of the Labor Code, the strike is led by a strike committee elected by the general meeting (conference) of employees or established by a decision of the trade union body.

Participation in the strike is voluntary. Persons who force a person to participate in a strike or to refuse from participation by applying force or threatening to apply force or by using his financial dependence shall be brought to responsibility in accordance with legislation.

Dismissal of employees for the emergence of a collective labor dispute and going on a strike, as well as the reduction, liquidation or reorganization of the enterprise (branch, representative office), other workplaces in which the collective labor dispute arose, are prohibited.

The employer may pay the employees their salary fully or partially during the strike period. Refusal to pay salary may not be ground for dispute.

According to Article 281 of the Labor Code of the Republic of Azerbaijan, strikes are prohibited in certain service sectors (hospitals, power generation, water supply, telephone communications, air traffic control and fire fighting facilities) which are vital to human health and safety. Arbitration shall be mandatory in these sectors if the parties fail to resolve an organizational labour dispute by reconciliation. The prohibition of strikes in the above-mentioned areas of vital significance for human health and safety is in line with international standards, and there have been no related concerns from the International Labor Organization, of which the Republic of Azerbaijan is a member.

During the COVID-19 pandemic, all workers' strike rights provided for in the Labor Code were preserved. Labor collectives at the request of social partners have displayed

high degree of solidarity to combat the COVID-19 pandemic, and no case of organizing strikes was detected.

Article 21. Right to information and consultation

With a view to ensuring the effective exercise of the right of workers to be informed and consulted within the undertaking, the Parties undertake to adopt or encourage measures enabling workers or their representatives, in accordance with national legislation and practice:

- a. to be informed regularly or at the appropriate time and in a comprehensible way about the economic and financial situation of the undertaking employing them, on the understanding that the disclosure of certain information which could be prejudicial to the undertaking may be refused or subject to confidentiality; and;*
- b. to be consulted in good time on proposed decisions which could substantially affect the interests of workers, particularly on those decisions which could have an important impact on the employment situation in the undertaking.*

Pursuant to Article 9 (n) of the Labor Code, the basic rights of an employee under an employment contract include obtaining relevant references from his employer with respect to his place of work, position (occupation), monthly salary and labour relations.

Pursuant to Article 88 of the Labor Code, at the employee's request, the employer should provide references or file information on his position (occupation), earnings during the relevant period, copies of personal documents, as well as testimonials regarding the employee's professionalism, efficiency and other personal qualities.

The employer may send information about the employee's identity or his employment activity to another employer or government bodies, as well as to other places only upon written request of the employee. It is unacceptable for the employer to send the employee's characteristics certificate, employment guarantee about disability, personal documents of the employee, their copies and other documents to another party without informing the employee about the contents. A reference or letter of recommendation with positive content may be sent to another party without prior informed consent of the employee. In this case the employer must inform the employee about where the documents have been sent.

According to Article 148 of the Labor Code, the application, amendments and revision of labor norms are determined by collective agreements, and if a collective agreement is not concluded, they must be carried out by employers on the basis of agreements with trade unions. Employees must be officially notified of the adoption and application of new labor standards at least 2 (two) months in advance.

According to Article 173 of the Labor Code, all accounting for calculation, payment and deductions from salaries can also be done with computer programs. Every time upon payment of a salary, at the request of the employee he is informed about the calculations stored in computer memory. This information may be printed and given to the employee upon his request.

According to Article 222 of the Labor Code, employers shall provide healthy and safe workplace, shall monitor dangerous and harmful production factors, and shall provide employees with information on the changed in this area in a timely manner.

The employer must periodically make inspections for the purpose of ensuring compliance of workplaces with the norms and rules of occupational safety with the participation of a trade union organization. The labor collective is informed about the results of the attestation.

According to Article 227 of the Labor Code, employees have the right to request information on occupational safety in their workplaces, the necessary personal protective equipment they should be given based on working conditions, as well as information on concessions and guarantees. Employers shall meet these requirements.

According to Article 274 of the Labor Code, a strike is led by a strike committee elected by the general meeting (conference) or established by a decision of a trade unions' body. The strike committee has the right to convene a general meeting (conference) of employees, receive information from the employer on issues affecting the interests of employees, and involve experts to form an opinion on contentious issues.

In the absence of a collective agreement in enterprises, provisions on the right to receive information may be provided for in the employment contract.

At the end of 2016, a Tripartite Commission on Social and Economic Issues was established and is currently operating. Meetings of the Tripartite Commission were also held during the COVID-19 pandemics, significant social projects and issues were discussed with the social partners at these meetings and the decisions adopted have been submitted to the government. As one of the parties of the Commission the representatives of the Trade Unions Confederation are well informed of the drafts of the normative legal acts on formation of socio-economic policy, social-labor relations, employment of the population, labor migration, supply of the labor market with the qualified labor force, pensions, insurance and other social security measures and they share information on draft decisions which may affect the interests of employees with workers who are members of trade unions.

Article 22. The right to take part in the determination and improvement of the working conditions and working environment

With a view to ensuring the effective exercise of the right of workers to take part in the determination and improvement of the working conditions and working environment in the undertaking, the Parties undertake to adopt or encourage measures enabling workers or their representatives, in accordance with national legislation and practice, to contribute:

- a. to the determination and the improvement of the working conditions, work organisation and working environment;*
- b. to the protection of health and safety within the undertaking;*
- c. to the organisation of social and socio-cultural services and facilities within the undertaking;*
- d. to the supervision of the observance of regulations on these matters*

a) The right of employees to participate in the determination and improvement of working conditions and production environment is regulated by labor legislation. The main legislative acts ensuring the effectiveness of participation in the determination and improvement of working conditions and the production environment are the Labor Code of the Republic of Azerbaijan and the Law of the Republic of Azerbaijan "On Trade Unions".

As provided for in the Labor Code, trade unions exercise public control in the field of occupational safety. Thus, according to Article 31, para 2, item g) of the Labor Code, a collective contract that regulates labor, socio-economic, and other relations and is concluded in written form between the employer, labor collective or trade union organization, shall include the mutual obligations of the parties in relation to defining additional guarantees to improve occupational safety:

According to Article 43, para 2, item a) of the Labor Code, the terms of labor conditions - working and rest time, salary and supplements to it, duration of work leave, occupational safety, compulsory state social insurance and other mandatory insurances - are stipulated as the main terms of the employment contract.

According to the first paragraph of Article 209 of the Labor Code, joint activity of the relevant state authorities, owners, employers and employees aimed at improving working conditions and safety, preventing industrial accidents, injuries and occupational diseases is one of the main principles of occupational safety.

According to Article 210 of the Labor Code, employers, employees and various physical persons may join and establish public organizations operating pursuant to the law or public organizations in order to settle occupational safety issues. State authorities and employers shall provide comprehensive assistance to these public organizations and shall consider their proposals and recommendations when adopting occupational safety regulations.

According to Article 216 of the Labor Code, the duties of employees with regards to occupational safety include the following:

- to learn, familiarize themselves and apply the requirements defined by relevant regulations for safety, hygiene, and fire protection;
- to perform work without jeopardizing his/her own "life" or that of others, to stay out of places where employees are not allowed, such as machinery operating rooms and explosive depots, and to refrain from working in other places where there may be a danger to life;
- to work in special clothing and shoes supplied, to use protective equipment in the technological process as specified in the occupational safety norms, regulations and manuals;
- to immediately inform the employer's representatives about all occupational accidents, any emergencies or any violations of occupational safety rules;
- to increase their knowledge of occupational safety norms and rules on a regular basis;
- to observe instructions, notices and recommendations of the employer, supervisors and experts on occupational safety.

According to Article 227 of the Labor Code, employees have the right to request information on occupational safety in their workplaces, the necessary personal protective equipment they should be supplied based on working conditions, as well as information on concessions and guarantees. Employers shall meet these requirements.

According to Article 236 of the Labor Code, public supervision over the enforcement of laws on occupational safety is exercised by persons authorized by labor collectives and the representatives of trade union organizations. Occupational safety representatives have the right to monitor the situation in the work place with regard to occupational safety, to demand the authorities to fix the revealed shortcomings, and if necessary to raise issues with the employer for bringing the perpetrators to justice. To enable the authorized representative to fulfil his duties the employer should allow him at least two hours per week during the work day by paying him an average wage.

According to paragraph 2 of Article 237 of the Labor Code, trade unions participate in the preparation and approval of normative acts on labor protection in the stipulated manner and have the right to protest against enforcement of the acts not coordinated with them through the relevant state bodies. As a distinct proof of this, in accordance with paragraphs 5.1.9 and 5.1.18 of the General Collective Agreement for 2020-2022 concluded between the Cabinet of Ministers of the Republic of Azerbaijan, the Confederation of Trade Unions of Azerbaijan and the National Confederation of Entrepreneurs (Employers) of the Republic of Azerbaijan, the Parties undertook the following duties:

- to ensure environmental safety in the workplace, including in industrial enterprises for the purpose of human health protection;
- in order to enforce labor rights, ensure labor protection, technical and environmental safety by offices, enterprises and organizations, to ensure regulation in this field by establishing commissions, including representatives of trade unions during the validity term of the Agreement.

Furthermore, a Tripartite Commission on Social and Economic Issues established in 2016 and comprised of equal number of representatives of the social partners considers and adopts drafts of normative legal acts in the field of occupational safety, working conditions and production environment of employees.

ATUC Executive Committee approved the "Regulation on the rules of public control by trade unions over the compliance with labor legislation", "Regulation of the Commission under the Trade Union Committees on occupational safety in labor legislation", "On the Public Commissioner on occupational safety" as well as regulations on technical labor inspectorate and trusted doctors.

At the initiative and with the direct participation of the ATUC, the Parliament of the Republic of Azerbaijan adopted the laws of the Republic of Azerbaijan "On Technical Safety", "On compulsory disability insurance as a result of work accidents and occupational diseases".

At the same time, at the initiative of the ATUC, a number of thematic visions were presented on an annual basis and since 2009 a competition on the "Best Enterprise (Organization) of the Year in Establishing Healthy and Safe Working Conditions" has been held. During 2018-2020, 7030 enterprises and organizations participated in this

event, 136 of them were announced winners and were awarded honorary diplomas and valuable grants.

Article 26. The right to dignity at work

With a view to ensuring the effective exercise of the right of workers to the protection of their claims in the event of the insolvency of their employer, the Parties undertake to provide that workers' claims arising from contracts of employment or employment relationships be guaranteed by a guarantee institution or by any other effective form of protection.

Paragraph 1. Sexual harassment

a) The right of employees to protect their dignity in the workplace is reflected in the labor legislation. Thus, in accordance with items f) and g) of paragraph 1 of Article 12 of the Labor Code, responsibilities of the employer in the field of labor relations include creating equal opportunities and equal approach to employees in employment, dismissal from work, advanced training, mastering the new specialty and professional development, assessment the quality of work, as well as creating equal working conditions for the workers, regardless of gender, engaged in the same work, taking the same disciplinary measures for the same violation and undertaking all necessary measures for prevention of gender-based discrimination and sexual harassment.

In accordance with paragraph 5 of Article 62 of the Labor Code should an employee consider his dismissal illegal or groundless as a result of malice, false documentation or other facts, he may appeal to a court to restore his violated rights and defend his honour.

According to paragraph 3 of Article 69 of the Labor Code, when an employee retires due to age, disability, enters a relevant educational institution to continue his/her education, moves to a new place of residence, concludes an employment contract with another employer, faces sexual harassment and in some other cases stipulated in the legislation, the employment contract may be terminated on the day indicated in the application.

Pursuant to paragraph 4 of Article 189 of the Labor Code an order (instruction, decision) concerning disciplinary action shall not contain information degrading the employee's honor and dignity, discrediting his identity and moral feelings, nor shall it be based on vengeance for his lack of discipline.

Pursuant to paragraphs e), f) and g) of Article 195 of the Labor Code, the employer shall be fully liable for damage caused to the employee in the course of labor relations, including in the following cases:

- material and moral damage to employees as a result of including by the employer in employment contracts of conditions restricting the rights of employees in relation to the applicable legislation, collective agreement and contract;

- material and moral damage caused to the employee by the employer after termination of the employment contract for to his inability to get a job due to dissemination of unreal or other defamatory information about the low level of personal and professional qualities of the employee;

- in case of sexual harassment of employee.

According to Article 290 of the Labor Code, parties to individual labour disputes shall respect each other's rights, comply with the law, meet their commitments under the employment agreement, and obey the rulings (decisions) of the court which decides on the labour dispute.

An employer who has violated the employee's rights and legitimate interests must pay the full amount of material damage to the employee as determined by the court as a result of the settlement of an individual labour dispute. The employer shall be financially liable for the moral damage caused to the employee in the course of the employment relationship. An employee who claims that moral damage has been caused must indicate in his application the amount of his claim for such damage. The monetary amount of the moral damage caused shall be determined by the court on the basis of the employee's application pursuant to the degree of public danger of the damage, the identity of the employer and employee, the actual arguments of the case and other objective factors necessary for the adoption of a fair decision.

Moral harm caused to an employee means the dissemination of untrue, false information about the employee's honor and dignity by any means for the purpose of defaming, humiliating, slandering this person, insulting his identity, or discrediting him among the staff, also other acts and actions that contradict morality, moral norms, national sense of pride and faith.

During the reporting period, the State Labor Inspectorate Service under the Ministry of Labor and Social Protection of Population did not receive any complaints about sexual harassment involving (including) the third party in relation to a person of the same sex.

b) According to Article 290 of the Labor Code, parties to individual labour disputes shall respect each other's rights, comply with the law, meet their commitments under the employment agreement, and obey the rulings (decisions) of the court which decides on the labour dispute.

According to Article 31 of the Labor Code, the collective agreement includes the mutual obligations of the parties to assist in the awareness-raising work and provision of information on sexual harassment in the workplace or in connection with the work and to take all necessary measures to prevent such harassment.

According to Article 205 of the Code of Administrative Offenses of the Republic of Azerbaijan, putting pressure on employees who have complained against the employer or management for sexual harassment, or persecution of this employee shall result in penalizing the officials in the amount of 1,500 to 2,500 manats.

During the reporting period, the State Labor Inspection Service under the Ministry of Labor and Social Protection of Population of the Republic of Azerbaijan did not receive any complaints about moral harassment of employees, as well as foreigners and persons with no citizenship involved in labor relations.

Article 28. The right of workers' representatives to protection in the undertaking and facilities to be accorded to them

With a view to ensuring the effective exercise of the right of workers' representatives to carry out their functions, the Parties undertake to ensure that in the undertaking:

a they enjoy effective protection against acts prejudicial to them, including dismissal, based on their status or activities as workers' representatives within the undertaking;

b they are afforded such facilities as may be appropriate in order to enable them to carry out their functions promptly and efficiently, account being taken of the industrial relations system of the country and the needs, size and capabilities of the undertaking concerned.

According to Article 21 of the Labor Code, "Activities of public self-government bodies in enterprises", along with trade union organizations, other representative public self-government bodies of employees established in accordance with the legislation, as well as employers' representative bodies may operate in accordance with their charters (regulations). The owner of the enterprise shall provide the employer with appropriate conditions for the activities of trade unions' organizations and other representative public self-government bodies provided for in collective agreements or by mutual agreement of these organizations and public self-government bodies with the employer or by agreement between them.

Pursuant to Article 27 of the Labor Code, participants in collective bargaining (representatives of the parties, consultants, experts, conciliators, mediators, specialists, arbitrators and other persons determined by the parties) are exempted from the execution of labor functions for up to three months a year retaining average annual salary while maintaining collective bargaining. This period is included in their period of service.

The costs of collective bargaining must be borne by the employer. Persons invited to participate in the bargaining and not working under an employment contract shall be paid on the basis of an agreement concluded with the inviting party.

Participants in collective bargaining shall not be subject to disciplinary proceedings, transfer to another job or dismissal at the initiative of the employer in the course of negotiations.

Granting additional privileges to employees' representatives participating in collective bargaining cannot be considered discriminatory. Pursuant to paragraph 1 of Article 79 of the Labor Code, termination of an employee's employment contract by an employer based on the membership in a trade union organization or any political party is prohibited.

Employees exempted from the labor function of an enterprise and elected to a trade union organization shall be entitled to the same benefits as other employees of the enterprise on an equal basis.

The legislation provides guarantees for employees who have been exempted from their duties and elected to a trade union organization. Pursuant to Article 22 of the Law of the Republic of Azerbaijan "On Trade Unions", members of trade union bodies who have been exempted from their duties due to their election to elected positions in

trade union bodies shall be returned to their previous job (position) upon expiration of their elected powers, if this is not possible, they shall be provided with equal job (position) at that enterprise or at another enterprise with the consent of the employee.

Nevertheless, it is not possible to provide the relevant job (position), the trade union shall retain the employee's average salary for the period of employment, but not more than six months.

Article 29. The right to information and consultation in collective redundancy procedures

With a view to ensuring the effective exercise of the right of workers to be informed and consulted in situations of collective redundancies, the Parties undertake to ensure that employers shall inform and consult workers' representatives, in good time prior to such collective redundancies, on ways and means of avoiding collective redundancies or limiting their occurrence and mitigating their consequences, for example by recourse to accompanying social measures aimed, in particular, at aid for the redeployment or retraining of the workers concerned.

Pursuant to Part 3 of Article 63 of the Labor Code, in case the ownership of an enterprise changes, the new owner or employer shall be prohibited from undertaking any mass termination of employment contracts, thereby abusing his right to ownership, without first assessing the employees' professional qualifications, ability to perform their tasks and any incompetence that may cause damage to the owner's business. The new owner or employer shall determine the employees' professional qualifications and the need for available jobs in order to independently implement entrepreneurial activity at the enterprise by means of workplace and employee certification.

Here, "mass termination of employment contracts" means the termination of the employment of the following percentage of employees at a time or at different times within three months from the date of acquisition of ownership of the enterprise by the new owner or the employer on the grounds specified in Articles 70, 73 and 75 of this Code:

- in case of 100 to 500 employees - more than 50 percent;
- in case of 500 to 1,000 employees - more than 40 percent;
- in case of more than 1,000 employees - more than 30 percent.

Pursuant to paragraph 1 of Article 78 of the Labor Code, in case of decrease in the number of employees or personnel reduction, employees with higher qualifications (occupations) and professional levels required to perform the job function in certain positions are retained.

In accordance with Article 80 of the Labor Code, in case of reducing the number of employees or redundancy, the employment contract of an employee who fails to fulfill his job function or duties under the employment contract, or grossly violates his obligations and who is a member of a trade union is canceled by the employer with prior consent of the trade union organization.

An employer who wishes to terminate the employment contract of an employee who is a member of a trade union on any of the above-mentioned grounds shall apply to the trade union organization of that enterprise with a justified written submission. Relevant justifying documents are attached to the application. The trade union organization should submit its justified written decision to the employer no later than ten days from the date of receipt of this application.

In accordance with paragraph 1 of Article 77 of the Labor Code in case of decrease in the number of employees or staff reduction, in accordance with Article 70 (b) of this Code, before terminating an employment contract by an employer the employee must be officially notified within the following periods, depending on the length of service determined by the employment contract concluded with that employer, so:

- if the length of service is up to one year - at least two calendar weeks;
- if the length of service is from one to five years - at least four calendar weeks;
- if the length of service is from five to ten years - at least six calendar weeks;
- if the length of service is more than ten years - at least nine calendar weeks.

Pursuant to paragraphs 8 and 9 of Article 77 of the Labor Code, an employer at his own expenses shall engage the employee dismissed on the basis of staff reduction, who is also a child without parents or is deprived of parental care (under the Law of the Republic of Azerbaijan «On social protection of children who lost their children or are deprived of parental care»), in new vocational training for further employment at this or any other organization.

Apart from liquidation of an enterprise in the manner specified in the legislation, the workplace and position of the employee shall be retained at an enterprise, regardless of the type of ownership and organizational-legal form, during the period of the person's active military service. Persons who worked in the relevant institution before being called up for active military service shall have the right to return to the previous or equivalent position (occupation) in that institution no later than 60 (sixty) calendar days after discharge from military service.

Pursuant to paragraph 7 of Article 270 of the Labor Code, dismissal of employees due to collective labor disputes and strikes, as well as due to redundancy, liquidation or reorganization of the enterprise (branch, representative office), other workplaces where collective labor disputes have arisen, are prohibited.

Pursuant to Article 11, paragraph 1, item e) of the Labor Code, the employer has the right to change the working conditions or reduce the number of employees, abolish staff and structural units in compliance with the requirements of this Code and other normative legal acts. Pursuant to paragraph 3 of Article 2 of the Labor Code, this Code is based on the principle of ensuring the equality of rights of the parties (employee, employer, state) in labor relations.

At the same time, in accordance with Article 36 of the Labor Code, a collective agreement is signed in 3 forms for the territory and coverage area of the country, so that these collective agreements are concluded between the following parties:

- a) General collective agreement - between the Cabinet of Ministers of the Republic of Azerbaijan and the national (country) union of trade unions;

b) Sectoral (tariff) collective agreement - between central executive authorities, state committees, state corporations, companies and offices, trade unions on occupations, sectors;

c) Territorial (district) collective agreement - between local executive authorities, territorial unions of trade unions.

General, sectoral and territorial collective agreements may be concluded trilaterally between the Cabinet of Ministers of the Republic of Azerbaijan, central executive authorities, local executive authorities, state committees, state concerns, companies and departments, trade unions and employers' representative bodies (associations).

Pursuant to Article 38 (x) of the Labor Code, the parties may include in the collective agreement an obligation to take measures to prevent the cases like closure of enterprise and massive layoffs, as well as measures to prevent dismissals.

According to Article 41 of the Labor Code, control over the implementation of the Collective Agreement is exercised by the parties and the Ministry of Labor and Social Protection of the Republic of Azerbaijan.

In order to combat the COVID-19 pandemics, the government has taken a number of significant steps (this process is ongoing). Pursuant to Article 17 of the Law of the Republic of Azerbaijan "On Employment" adopted on June 29, 2018, at the initiative of the employer, the streamlining of production, improvement of labor organization, liquidation of the enterprise, dismissal of employees in connection with the reduction of the number of employees or staff, except for cases determined by the Labor Code, are carried out through negotiations with employees on the protection of their rights and interests with prior written notice to the relevant trade union bodies (at least 3 months in advance). This issue is also reflected in Article 11 of the Law "On Trade Unions".

In compliance with the Law of the Republic of Azerbaijan "On Employment", employers (their associations) and the Ministry of Labor and Social Protection of Population and local executive authorities are holding joint consultations on employment issues with the proposal of trade unions. Following the final consultations, measures to promote employment may be provided for in collective agreements (contracts) in accordance with the Labor Code.

Pursuant to Article 17 of the Law of the Republic of Azerbaijan "On Employment", trade unions are entitled to make proposals to employers or their superior bodies on the rescheduling or suspension of measures related to the mass dismissal of employees, to make proposals for trainings, improving capacities and evaluation of employees and to participate in their realization.