



### **COMPASS Policy Brief**

# AZERBAIJANI YOUTH IN THE 21ST CENTURY: IS THE STATE POLICY EFFECTIVE?

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ADA University founded in 2006 as Azerbaijan Diplomatic Academy, is a training institute for young diplomats to meet the urgent needs of the expanding Foreign Service of the Republic of Azerbaijan, ADA University was transformed into a full-fledged public university in 2014. ADA University is home to an international community of approximately 2500 students and approximately 200 faculty and staff from 46 countries around the world. ADA is a truly international University with more international students studying here than in any other university in the country. All courses at ADA are taught in English. The University is made up of four academic Schools: School of Public and International Affairs, School of Business, School of Education, School of Information Technologies and Engineering.

GCRF COMPASS project (ES/P010849/1, 2017-21) is an ambitious UK government capacity-building funding initiative, aiming to extend UK research globally and to address the challenges of growth and sustainability in developing countries. Notably, the COMPASS project led by the University of Kent, in partnership with the University of Cambridge, seeks to establish the 'hubs of excellence' at the top-level Higher Education Institutions in Azerbaijan, Belarus, Tajikistan and Uzbekistan, to enable them to become the centres for knowledge-sharing and transfer for research integration, impact governance, and sustainable communities.

The Global Challenges Research Fund (GCRF) COMPASS project has been shortlisted for the International Collaboration of the Year at the Times Higher Education (THE) Awards 2021, widely known as 'the Oscars of Higher Education'.





## AZERBAIJANI YOUTH IN THE 21<sup>ST</sup> CENTURY: IS THE STATE POLICY EFFECTIVE?

#### **EXECUTIVE SUMMARY**

This policy brief reviews and analyzes the role of the state youth policy of Azerbaijan in supporting young people through their transition from school to work, which is one of the stages when young people can be in particularly fragile situation if not provided with necessary opportunities. Considerable share of youth in Azerbaijan are Not in Employment, Education, or Training (NEET youth). The NEET indicator is considered as a comprehensive indicator within the post-2015 Sustainable Development Agenda to measure youth exclusion and marginalization. While the government assumes a broad responsibility to provide youth with education and employment opportunities to support their transition, these intentions have not been translated into real actions.

**Keywords**: Azerbaijani youth; youth policy; post-2015 sustainable development agenda; United Nations; youth employment.

**Abbreviations:** NEET - youth not in employment, education, or training; ILO - International Labour Organisation; VET - vocational educationand training; IDPs - Internally Displaced Persons

#### **BACKGROUND**

Azerbaijan is one of the countries where youth issues have a special place in the government's agenda. The young people, defined, according to the national legislation, as individuals between 14 and 29 years of age, comprise 25.8% of the country's population. Since the early years of independence, the government has established an institutional framework for the implementation of the youth policy by creating the Ministry of Youth and Sport. In the following years, the national law on youth policy was adopted, and a policy framework was created with the adoption of regular State Programs on youth such as: the Law of the Republic of Azerbaijan on Youth Policy (2002); the State Program on Azerbaijani Youth for 2005-2009 (2005); the State Program on Azerbaijani Youth for 2011-2015 (2011); the State Program on Azerbaijani Youth for 2017-2021 (2017). These identify the government's prioritized areas for action to ensure youth development.

Despite the established institutional, legal, and policy frameworks and long experience in the implementation of the youth policy, the government of Azerbaijan has been facing serious challenges

<sup>&</sup>lt;sup>1</sup> "The State Statistical Committee of the Republic of Azerbaijan," 2020 Population statistics. Accessed on 20.10.2021 at: <a href="https://www.stat.gov.az/source/demography/?lang=en">https://www.stat.gov.az/source/demography/?lang=en</a>

<sup>&</sup>lt;sup>2</sup> The Ministry of Youth and Sport of the Republic of Azerbaijan, 2006 The statute of the Ministry of Youth and Sport of the Republic of Azerbaijan. Published on 18.04.2006 at: https://www.mys.gov.az/en/ministry/charter



about its youth population. One of the most pressing challenges is a large share of young people without any skills and specializations. Out of the 2.8 million workforce with only secondary education (the total workforce in Azerbaijan is 4.8 million people), around 1.4 million people are aged 15–34 years.<sup>3</sup> This is of severe concern as these people encounter considerable problems in accessing decent employment opportunities and are very likely to end up in low-paid, poor-quality jobs mostly in the informal economy.<sup>4</sup> In this context, it should come as no surprise that compared to other countries with a similar gross domestic product (GDP) per capita, Azerbaijan is one of those countries with the highest percentage of 15- to 25-year-olds not in employment, education, or training.<sup>5</sup> According to "The National Employment Strategy of the Republic of Azerbaijan for 2019-2030"<sup>6</sup>, the level of Not in Employment, Education or Training youth (NEET youth) in Azerbaijan was 23% in 2017, which the government aims to reduce to 15% by 2030. The considerable share of NEETs among the country's youth population raises alarming trends about the fragility of the local youth community. The situation is highly disturbing considering the fact the NEETs are particularly exposed to the risks of poverty, marginalization, and exclusion and to have limited capacity to mitigate those risks due to poor educational background and lack of social networks.<sup>7</sup>

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<sup>&</sup>lt;sup>3</sup> Valiyev, A. (2020). ILO "Attaining SDG 8 in Azerbaijan: The challenges of economic transformation and job creation" Published in July 2020 at: https://www.ilo.org/wcmsp5/groups/public/---ed\_emp/documents/publication/wcms\_749432.pdf

<sup>&</sup>lt;sup>4</sup> United Nations (2018) "World youth report 2018: Youth and the 2030 agenda for sustainable development" Accessed on 25.10.2021 at: <a href="https://www.un.org/development/desa/youth/wp-content/uploads/sites/21/2018/12/WorldYouthReport-2030Agenda.pdf">www.un.org/development/desa/youth/wp-content/uploads/sites/21/2018/12/WorldYouthReport-2030Agenda.pdf</a>

<sup>&</sup>lt;sup>5</sup> Asian Development Bank. (2019). "Azerbaijan, 2019–2023 Promoting diversified and inclusive growth" Published in May 2019 at: www.adb.org/sites/default/files/institutional-document/510266/cps-aze-2019-2023.pdf

<sup>&</sup>lt;sup>6</sup> The national employment strategy of the Republic of Azerbaijan for 2019-2030. (2018). Accessed on 25.10.2021 at: <u>W1siZiIsIjIwMTgvMTAvMzAvNzBqcG95dmVhMV9TVFJBVEVHX1lBLnBkZiJdXQ</u> (president.az)

<sup>&</sup>lt;sup>7</sup> Organisation for Economic Co-operation and Development. (2020). States of fragility 2020. OECD Publishing.



#### ANALYSIS OF THE ISSUE

Youth education and employment are two areas, which are regarded as fundamental to overall youth development as the progress in these areas significantly improves other aspects of young people's lives. Youth unemployment rate in Azerbaijan, equal to 15.7% in 2020, is higher than the overall unemployment rate, equal to 6% in 2020.<sup>8</sup> Another worrying trend is the shortage of qualified labor force, particularly among the graduates of higher education institutions.<sup>9</sup>

Meanwhile, the analysis of the national policy documents regarding education, youth, and particularly employment shows that the existence of the above mentioned problems is not caused by the omission of the relevant areas, that is, youth education and employment, from the government's agenda. On the contrary, almost all major policy documents on the subject matter recognize the importance of education and employment for youth and intend to implement activities to provide young people with necessary opportunities. <sup>10,11</sup>

Issue of youth employment has been one of the government's priorities. The country's first "The National Employment Strategy of the Republic of Azerbaijan for 2006-2015" had a special National Action Plan on Youth Employment, prepared with the support of ILO, prioritizing areas such as reforming labor market institutions and policies, strengthening the National Employment Service and modernizing VET system, improving social protection of job seekers and unemployed citizens, and creating jobs for youth, women, people with disabilities, internally displaced persons (IDPs) and refugees, and other vulnerable groups experiencing difficulties in entering the labor market. "The State Program on Azerbaijani Youth for 2017- 2021" also envisages actions like the organization of career guidance and counseling services, job fairs, trainings to develop entrepreneurial skills, nonformal education opportunities, self-employment and subsidized employment programs, development of VET.

However, high youth unemployment and basic figures on NEET youth demonstrated that the reality on the ground is quite different from what described in policy papers as the planned activities are not translated into real actions to bring any change for the youth communities. The findings show that there are no special education, training, and labor market programs in Azerbaijan specifically designed for those youth who entered the labor force without any skills and specialization. They are mainly early-school leavers, who have only completed either general secondary (left schooling around age 15 after the

<sup>&</sup>lt;sup>8</sup> World Bank. (2020). World Bank open data. Accessed on 30.10.2021 at: <a href="https://data.worldbank.org/">https://data.worldbank.org/</a>

<sup>&</sup>lt;sup>9</sup> Valiyev, A., & Amirova, G. (2021). Do university graduates' competences match post-socialist labour market demands: Evidence from Azerbaijan [Unpublished manuscript]

<sup>&</sup>lt;sup>10</sup> The Law of the Republic of Azerbaijan on Youth Policy. (2002). Accessed on 30.10.2021 at: <a href="https://www.youthpolicy.org/national/Azerbeijan 2002 Youth Policy Law.pdf">https://www.youthpolicy.org/national/Azerbeijan 2002 Youth Policy Law.pdf</a>

<sup>&</sup>lt;sup>11</sup> Azerbaijani Youth Development Strategy for 2015 – 2025. Published on 26.01.2015 at: <a href="http://www.e-qanun.az/alpidata/framework/data/29/c\_f\_29206">http://www.e-qanun.az/alpidata/framework/data/29/c\_f\_29206</a>

<sup>&</sup>lt;sup>12</sup> The national employment strategy of the Republic of Azerbaijan for 2006-2015. (2005). Accessed on 30.10.2021 at: http://sosial.gov.az/Elave%20sekil/Meshgulluq%20Strategiya%202006%20-2015%20%20.pdf

<sup>&</sup>lt;sup>13</sup> Aliyev, G., Valiyev, A., & Rustamova, S. (2011). Social protection and social inclusion in Azerbaijan. European Commission

<sup>&</sup>lt;sup>14</sup> The State Program on Azerbaijani Youth for 2017- 2021 (2005) Accessed on 30.10.2021 at: <a href="http://www.e-qanun.az/framework/10692">http://www.e-qanun.az/framework/10692</a>



9<sup>th</sup> grade) or comprehensive secondary education (left schooling around age 17 after the 11<sup>th</sup> grade). These youth receive on-the-job training in low-paid, poor quality jobs and are mostly employed in the informal economy. <sup>15</sup>

At this point, it should be noted that, in general, there are considerable data-related problems with regard to the youth population in Azerbaijan. For instance, despite the significance of the NEET problem, the level of NEETs is not tracked in the country, and the National Employment Strategy is the only document where the statistical information about this group is generated.

Other vulnerable youth groups also suffer from the lack of attention by the government. For instance, IDPs, identified in the national law on youth policy as one of the youth groups in need of social protection, pointed to the scarcity of opportunities for youth employment as well as a need for further vocational training programs for securing jobs.<sup>16</sup>

The situation with young girls overall is also alarming as their early disengagement from schools in rural areas has been identified as a severe issue for Azerbaijan. <sup>17</sup> Despite this, there are no comprehensive and visible programs to support young women to remain in education and access job opportunities. The lack of adequate attention in policy documents is a relevant problem for almost all vulnerable youth groups in the country.

All the aforementioned challenges are further exacerbated by the existence of serious structural constraints in Azerbaijan, considerably affecting the deliverability of youth-targeted policy interventions. The first constraint, directly affecting the situation of young people, is an outdated, poor-quality education system that does not equip young people with skills required in the labor market. The STEP Employer Skills Survey, conducted in Azerbaijan, showed that most employers are not satisfied with the knowledge and skills provided by the educational institutions. <sup>18</sup> In addition, the educational institutions lack cooperation and communication with the employers and, consequently, are not aware of their demands.

The second structural constraint, substantially limiting policymakers' capacity within the youth sector, is the country's poor economic environment. <sup>19</sup> Although the World Bank has classified Azerbaijan as an upper-middle-income country, its economic growth is driven mostly by the oil sector. The fact that the real environment for applying learned skills is restrictive is an essential factor in shaping young people's attitudes toward the implemented programs. In this context, while the national government has launched reforms across multiple sectors, ranging from vocational education reform to simplifying the regulations

<sup>&</sup>lt;sup>15</sup> Ibid., 4.

<sup>&</sup>lt;sup>16</sup> Ibid., 13.

<sup>&</sup>lt;sup>17</sup> European Training Foundation (2019) "Policies supporting youth transition to work in Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine". Accessed on 30.10.2021 at: <a href="https://www.etf.europa.eu/sites/default/files/2019-04/Youth%20transition%20EaP">https://www.etf.europa.eu/sites/default/files/2019-04/Youth%20transition%20EaP</a> 0.pdf

<sup>&</sup>lt;sup>18</sup> Rutkowski, J. J. (2015) "Demand for skills: Main results of the Azerbaijan STEP employer survey" The World Bank Group. Published on 12.01.2015 at: <a href="https://openknowledge.worldbank.org/handle/10986/22508?show=full">https://openknowledge.worldbank.org/handle/10986/22508?show=full</a>

<sup>&</sup>lt;sup>19</sup> Ibid., 17.



on setting up a business, considerable time is needed to reap their benefits. Moreover, the realization of certain strategic objectives, such as reducing the share of NEET youth as underlined in the National Employment Strategy, will be much more challenging.<sup>20</sup>

#### **CONCLUSIONS**

The government assumes a broad responsibility to provide youth with education and employment opportunities. However, the plans outlined in the policy documents have not been translated into real actions. These in turn have led to a more deficient operationalization of the norms promoted by external actors. The government should have better designed policy set related to youth especially in post-pandemic period. Otherwise, the challenges with youth bulge will mount and turn into a serious problem for the government.

#### POLICY RECOMMENDATION

In light of all the above-mentioned observations, we can draw the following policy recommendations to address challenges in implementation of youth policies and making them work on the ground:

- To overcome the lack of attention to the needs of local communities and specific to local context structural constraints such as outdated education system
- To restructure certain government agencies, ensuring coordination and harmonization among them
- To adopt a new curriculum for education institutions responding to the needs of labour market
- To give particular weightage to support school-to work transition of young people within the framework of youth-oriented policies
- To overcome awareness and exclusion linked obstacles in order to ensure equal and meaningful
  participation of all young people, especially the ones coming from the most fragile and
  vulnerables groups such as youth with disabilities; deprived of parental care; released from
  penitentiary institutions; living on the streets; living in rural areas and mountainous regions; and
  etc.
- To ensure sustainability and institutionalization of initiated activities in the field of youth development, training and education.

<sup>&</sup>lt;sup>20</sup> Ibid., 3.



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