

**THE REPUBLIC OF AZERBAIJAN  
MINISTRY OF LABOR AND SOCIAL PROTECTION OF POPULATION (MLSP)**

**EMPLOYMENT SUPPORT PROJECT (P171250)  
AND ADDITIONAL FINANCING (P181649)  
STAKEHOLDER ENGAGEMENT PLAN**



**Baku**

**Revised April 2024**

## Contents

Acronyms and abbreviations .....	4
I. INTRODUCTION.....	5
1.1 Project background .....	5
1.2 Purpose of the SEP.....	6
1.3 Scope and Structure of the SEP .....	6
II. ADMINISTRATIVE, POLICY AND REGULATORY FRAMEWORK .....	7
2.1 Relevant National Laws and Regulations .....	7
2.1.1 The main legislations concerning employment support .....	7
2.1.2 The main legislation concerning social protection.....	11
2.1.3 National Social Legal Provisions and Citizen Engagement.....	13
2.2 State Development Programs.....	14
2.3 World Bank Environmental and Social Standard on Stakeholder Engagement.....	16
III. BRIEF SUMMARY OF PREVIOUS STAKEHOLDER ENGAGEMENT ACTIVITIES .....	18
3.1 Key stakeholder meetings and consultations.....	18
3.2 Key issues/ findings emerged from the social assessment and consultations .....	20
IV. STAKEHOLDER MAPPING, SEGMENTIZATION AND ANALYSIS .....	22
4. Stakeholder Mapping and Analysis.....	22
V. IMPACT ASSESSMENT AND RISK MANAGEMENT.....	29
VI. STAKEHOLDER ENGAGEMENT PLAN.....	31
6.1 Planned stakeholder engagement activities.....	31
VII. IMPLEMENTATION ARRANGEMENTS FOR STAKEHOLDER ENGAGEMENT .....	34
7.1 Implementation Arrangements .....	34
7.2 Roles and Responsibilities .....	34
7.3 Stakeholder Engagement Methods to be used.....	35
7.4 Information disclosure.....	38
7.5 Estimated Budget .....	38

VIII. GRIEVANCE REDRESS MECHANISM ..... 38

8.1 Grievance resolution process ..... 39

8.2 Grievance Logs ..... 40

8.3 Monitoring and reporting on grievances ..... 41

8.4 Central point of contact - PIU ..... 41

8.5 World Bank Grievance Redress System ..... 41

Annex 1. Grievance Redress Mechanism (GRM) for PIU direct and contracted workers

Annex 2. Example Grievance Form

## Acronyms and abbreviations

CPF	Country Partnership Framework
DOST	Agency for Sustainable and Operational Social Security
ESC	Employment Support Center
ESF	Environment and Social Framework
ESS	Environmental and Social Standards
ESCP	Environmental Social Commitment Plan
GoA	Government of Azerbaijan
GRC	Grievance Resolution Committee
GRM	Grievance Redress Mechanism
IDP	Internally Displaced Persons
MoF	Ministry of Finance
MLSPP	Ministry of Labour and Social Protection of Population
NGO	Non-governmental organization
OIPs	Other interested parties
PAPs	Project-affected parties
PDO	Project Development Objectives
PIU	Project Implementation Unit
REB	Regional Employment Branch
SEA	State Employment Agency
SEP	Stakeholder Engagement Plan
AzSEP	Azerbaijan Self Employment Program
SMB	The Small and Medium Business (SMB) Development Agency of the Republic of Azerbaijan
UNDP	United Nations Development Programme

## I. INTRODUCTION

### 1.1 Project background

The World Bank is providing support to the Government of Azerbaijan in preparing the Employment Support Project. The proposed operation is built around supporting the Government's Self-Employment Program. The objective of this program is to strengthen self-employment and entrepreneurship as a pathway out of poverty and into the labor market for vulnerable individuals. The improvement and scale up of the self-employment program are consistent with the recently adopted "Employment Strategy of the Republic of Azerbaijan for 2019-2030" and its action plan in draft. The third priority direction on "increasing the scope and efficiency of the active labor market programs and strengthening the integration of citizens in need of social protection and who have difficulties in finding an employment into labor market" points to the need to enhance the effectiveness and scale of interventions supporting entrepreneurship and self-employment.

The **Project Development Objective** is to improve the access of vulnerable people to sustainable self-employment and income generating opportunities in Azerbaijan. This will be achieved by (i) scaling up and improving the effectiveness of Azerbaijan Self-Employment Program (AzSEP); (ii) strengthening program implementation capacity in the State Employment Agencies (/SEA), along with the capacity to provide a broader menu of activation and employment support program; and (iii) improving monitoring and evaluation practices of the REBs. The Project will be implemented country-wide and include the following components:

**Component 1:** Enhancing the scope and effectiveness of the AzSEP;

**Component 2** Strengthening employment services and programs

**Component 3:** Project Management, and Monitoring and Evaluation.

The Project is governed by the World Bank's Environment and Social Framework (ESF). Under the ESF, all World Bank clients have agreed to comply with ten Environmental and Social Standards (ESSs) applied to investment project lending financed by the Bank.

Under the additional financing, the project development objective, to improve vulnerable people's access to employment, will remain as is. Though the additional financing will expand coverage of the project activities to increase the number of beneficiaries as well as expanding the breadth of offered services and programs. With the additional financing, further support will be provided to the implementing agencies MLSP, SEA and National Observatory which will be a sub-implementing agency to improve delivery of employment services and labor market monitoring which are expected to have positive impacts on access to employment.

This report presents is the updated Stakeholder Engagement Plan (SEP) for Employment support project in Azerbaijan to reflect description of the activities to be supported by the additional finance and engagement undertaken to date and those planned.

## 1.2 Purpose of the SEP

The overall objective of this Stakeholder Engagement Plan (SEP) is to define a program for stakeholder engagement, including public information disclosure and consultation, throughout the preparation and operation of the proposed project. The SEP outlines the ways to identify potential different stakeholders, to develop an approach for reaching each of the subgroups, to create a mechanism by which Project Affected Parties (PAPs) and Other Interested Parties (OIPs) can raise concerns, provide feedback, or make complaints, and to minimize and mitigate environmental and social risks related to the proposed project. Overall, SEP serves the following purposes: i) stakeholder identification and analysis; (ii) planning of engagement modalities, effective communication tools for consultations and disclosure; (iii) enabling platforms for influencing decisions; (iv) defining role and responsibilities of different actors in implementing the Plan; and (iv) grievance redress mechanism (GRM).

### 1.2. Scope and Structure of the SEP

Scope of the SEP shall be as outlined in the World Bank's ESS10. The engagement will be planned as an integral part of the project's environmental and social assessment and project design and implementation. The project is planning to cover the entire country.(65 rayons and Baku city (12 rayons)) and Nakhchivan Autonomous Republic.

This document has 8 chapters. The first chapter serves as an Introduction. It provides brief information about the project and the context in which the SEP is being prepared. Chapter 2 lists the regulatory framework in Azerbaijan which provides legitimacy for SEP. A summary of the consultations held so far is presented in Chapter 3. Stakeholder Identification, Mapping and Analysis is elaborated in chapter 4.

Impact assessment is presented in Chapters 5. Stakeholder Engagement Plan is presented in the next chapter, 6. Implementation Arrangements for executing the SEP is presented in Chapter 7. Grievance Redress Mechanism (GRM) and Monitoring, documentation and reporting are presented last, in Chapter 8.

## II. ADMINISTRATIVE, POLICY AND REGULATORY FRAMEWORK

### 2.1 Relevant National Laws and Regulations

#### 2.1.1 The main legislations concerning employment support

The **Constitution of Azerbaijan** adopted on November 12, 1995, provides legal basis for the employment of Azerbaijani citizens. Within the framework of the Constitution, the citizens have right to choose any job independently.

**Labor Code of the Republic of Azerbaijan (approved by the Law of the Republic of Azerbaijan No. 618-IG dated February 01, 1999)**. Pursuant to Article 35 of the Constitution of the Republic of Azerbaijan labor is the basis of individual and public welfare. Every person has the right to freely choose an activity, profession, occupation, and place of work on the basis of his/her skills and abilities. The following is authorized by the Labor Code of the Republic of Azerbaijan:

- Employment, social and economic rights of employees and employers in the sphere of labor relations on the basis of the appropriate legal norms and a minimum level of proper guarantees relating to said rights.
- Principles and procedures ensuring the right to employment, rest and work under safe and healthy conditions and to other basic human rights and freedoms as stipulated in Section Two of the Constitution of the Republic of Azerbaijan;
- Regulations governing the rights and obligations of employees and employers, including relevant national government bodies with respect to the execution, amendment, or termination of employment agreements and the protection of the rights of parties to these agreements, shall be defined pursuant to the principles of human rights and freedoms provided by the Labor Code of the Republic of Azerbaijan, the Constitution of the Republic of Azerbaijan and international treaties and agreements signed or supported by the Republic of Azerbaijan, conventions of the International Labor Organization and other international laws.

**The Law of the Republic of Azerbaijan “On making amendments to the Labor Code of the Republic of Azerbaijan” #529-VIQD was adopted on May 13, 2022, and entered into legal force on June 10, 2022.** The Law has extended the list of grounds for termination of employment contracts in cases not depending on the parties' will. Hence, according to Article 74.1-1 upon the employee's application to the State Labor Inspectorate Service, an employment contract concluded with a natural person acting as an employer can be deemed terminated on the following grounds:

- if the natural person acting as an employer is deceased, declared missing or dead based on a court decision that has entered into legal force.
- if the natural person acting as an employer is detained by a court or imprisoned based on a court decision that has entered into legal force.
- if the natural person acting as an employer is declared incapacitated or limited in capacity based on a court decision that has entered into legal force.

- if the natural person acting as an employer is put on the wanted list in accordance with the Code of Civil Procedure and the Code of Criminal Procedure of the Republic of Azerbaijan.
- if a foreign national or a stateless person acting as an employer is subjected to administrative deportation from the Republic of Azerbaijan in accordance with the Code of Administrative Offences of the Republic of Azerbaijan.

It is further stated that if the employment contract is deemed terminated on the above grounds it does not release the parties of the employment contract or the heirs of a deceased employer (within the limits of the inheritance share) from the obligations stipulated in the labor legislation.

**The Law of the Republic of Azerbaijan "On Employment" № 1196-VQ dated June 29, 2018** defines legal, economic and organizational basis of state policy in the employment field, as well as state guarantees to citizens in the field of labor and to unemployed persons in the field of social protection.

The main updates in the new law (previous law "On Employment", dated July 2, 2001, has been declared invalid) can be classified in several groups:

- setting up an electronic vacancy bank and the obligations of the employer in connection with it;
- state provisions for employment of persons in need of social protection;
- about legal entities engaged in mediation in employment;
- self-employment support;
- payment of wages at social workplaces

According to the Law, an electronic vacancy bank will be established where employers should include information about new job positions and vacancies in the system. Based on employer's employment contract reports and information about job vacancies, a table of staff units is created for each employer. In this case, employers should provide information to the electronic information system with information about salary within 5 working days when there are new or vacant work places. If employers do not include or delay this information, they are fined in the amount of 300-1000 manats according to the Code of Administrative Offenses of the Republic of Azerbaijan.

Also, employers should submit monthly reports about persons directed by the Ministry of Labor and Social Protection of the Population for employment to this authority. In addition, employers should include information about new job positions and vacancies. Otherwise, employers are penalized in the amount of 500 to 1000 manats under the Code of Administrative Offenses.16. The state provides additional provisions for those in need of social protection and those who have difficulty in finding jobs. The quota is determined by the number of employees not exceeding 5% of the average number of listed employees in enterprises, and this the number of jobs is allocated to ensure the employment of those in need of social protection. Details of quota determination and list of enterprises where quotas are not applied are determined by the Cabinet of Ministers of the Republic of Azerbaijan. Failure to comply with these requirements causes responsibility according to the Code of Administrative Offenses of the Republic of Azerbaijan. In this case, employers are fined in the amount of 1,500 to 2,000 manats.



Under the law, the Ministry of Labor and Social Protection of Population forms temporary employment of unemployed persons at specific enterprise, in order to organize paid public works, where they are involved in public works on a contractual and paid basis at specified enterprises.

According to the law, recruitment activities in employment can only be carried out by legal entities, and there will be an electronic register of these legal entities. Recruiters should submit information to the Ministry of Labor and Social Protection of the Population about the number of persons applying for employment and the number of persons employed<sup>19</sup>. Another update in the law is about self-employment support. The body responsible for self-employment is the Ministry of Labor and Social Protection of Population, which operates it in several ways. They provide advice and information for unemployed to ensure self-employment, help them to choose a direction for self-employment and to organize self-employment, as well as support them for the establishing a business plan. At the same time, equipment, materials and other property can be provided for unemployed people with self-employment in the chosen direction. It should be noted that such property is granted on a contractual basis for two years and it is checked whether person's activity meets the business plan. As a result of inspections, if the activity of a person complies with the business plan, the property is transferred to his/her ownership at the end of the contract period. However, if the person does not use the property for a period of one year without any valid reasons, s/he should return the market value of the property. The law defines preferred categories during self-employment. Thus, priority is given to persons receiving targeted state social assistance, persons with disabilities and children with disabilities under 18 years old, those registered as unemployed for more than one year, persons who are less than two years of retirement age and unemployed persons released from places of detention. Unemployed persons who receive unemployment insurance benefits do not participate in self-employment. <sup>20</sup> In the social workplaces where unemployed people are directed for providing employment, some part of the wages is paid by the Ministry of Labor and Social Protection of Population, and the procedure for financing it is defined by the Cabinet of Ministers. The amount of the portion of the salary funded by the Unemployment insurance fund should not be more than the average monthly nominal wages for the previous year determined by the State Statistical Committee, but not less than the minimum monthly salary is equal to 50% of the salary and deductions (compulsory insurance premium from the labor fund, compulsory insurance premium, unpaid insurance premium, accidents in production and compulsory insurance premium in case of occupational disability as a result of occupational accidents and occupational diseases) provided by the employer's staff unit. Part of wages of employees hired by employment contract in social workplaces for a period not less than 2 years is financed by the Ministry of Labor and Social Protection of Population for no less than 3 months and not more than 12 months. It should be taken into account while determining the amount of wages the wages of unemployed persons who have been employed at any social workplace should not differ by more than 10% of wages of other workers in that enterprise.

**Law of the Republic of Azerbaijan No 768-IIQ dated October 5, 2004 "On Living Wage"** (as amended by Law No. 109-IIIQD dated May 12, 2006, and Law No. 260- IIIQD dated March 6, 2007) describes the principles and procedures of setting the living wage in the Azerbaijan Republic and its state support, as well as its increase in consistence with the social and economic development in the country.

**Law on entrepreneurship activity № 405**, dated December 15, 1992 defines the principles of entrepreneurship in the Republic of Azerbaijan, rights and obligations of business entities, forms and methods of its protection and approval by the state, and interaction of entrepreneurs with state bodies and relevant executive authorities (hereinafter - the organizations). The law is aimed at creating conditions for broad implementation of economic initiative and business on the basis of the principle of equality of all forms of ownership, selection of areas of activity and making economic decisions. Azerbaijan established new category for micro, small, medium and large businesses. The relevant document was approved by the Cabinet of Ministers of Azerbaijan. According to the decision, "Criteria for the division of micro, small, medium and large entrepreneurship subjects" were approved to ensure fulfillment of Article 1.2 of the Presidential Decree dated February 5, 2018 (Amendments to the Law of the Republic of Azerbaijan "On Entrepreneurship Activity" on Approval of Criteria for Division of Micro, Small, Medium and Large Entrepreneurship Entities).

Azerbaijan became a member of the ILO in 1992, and **so far has ratified 60 Conventions, including 7 important Conventions** ("Forced Labour" No.29, "Discrimination (Employment and Occupation)" No.111, "Employment policy" No.122, "Employment service" No.88, "Vocational Rehabilitation and Employment (Disabled Persons)" No.159 Conventions) of this organization.

**State Employment Service of the Republic of Azerbaijan** was established on August 1, 1991 in accordance with presidential order No 211 dated July 22, 1991. The Law "On employment of population in the Republic of Azerbaijan" came into force on October 1, 1991 with the resolution of the Supreme Council of Azerbaijan No 147-XII dated June 27, 1991 in order to regulate the activity of the newly established State Employment Service. The Employment Fund was established within the State Employment Service to finance measures to implement the state policy in the area of employment with the Decision No.22 of the Cabinet of Azerbaijan dated 22 July 1991. State Employment Service of Azerbaijan assists employers to select staff and citizens to find suitable jobs. The Service provides them with information about demand and offer in the labor market, organizes vocational trainings in order to assist young people in choosing a profession, organizes professional training, retraining and professional development of unemployed and job seeker people, organization of public works, organization of labor fairs, issues unemployment status, determinates unemployment benefit and payment, organizes temporary employment of citizens through labor exchanges. During the next 10 years, the activity of the Service was further diversified and expanded, and on December 30, 2019, the State Employment Agency (SEA) (13 regional branches and Nakhichevan) was established as a public legal entity on the basis of the State Employment Service under the MLSPP. On June 30, 2020, the "Statute of the State Employment Agency" was approved by the Decree of the President of the Republic of Azerbaijan.

**Agency for Sustainable and Operative Social Provision (DOST Agency) under the Ministry of Labor and Social Protection of Population of the Republic of Azerbaijan** was established by the Decree of the President of the Republic of Azerbaijan Ilham Aliyev dated August 9, 2018 No 229. The Statute and Structure of the Agency is approved in accordance with the Decree of the President of the Republic of Azerbaijan No. 387 dated December 10, 2018. The Agency started to operate on May 9, 2019 - the same day with the opening of the first DOST center. The mission of the DOST Agency is to improve the well-being of the population, increase public care for vulnerable groups of people, implement innovative solutions to ensure this and achieve citizen satisfaction with such steps.

### 2.1.2 The main legislation concerning social protection.

**Law of the Republic of Azerbaijan No. 250-IQ “On social insurance”** dated February 18, 1997 regulates relationships in the area of social insurance, defines legal, economical and organization grounds for social insurance in the Republic of Azerbaijan. Social insurance - is form of security intended for compensation of lost right to work, profits and also extra expenses of individuals envisaged by this Law, and for prevention of such losses

**Law of the Republic of Azerbaijan No. 765-VQ “On unemployment insurance”** dated June 30, 2017 lays down the organizational, legal and economic bases of unemployment insurance, governs the relations between unemployment insurance subjects. The purpose of this Law is to create relations based on risk assignment and new financing mechanisms on the labor market of the Republic of Azerbaijan, compensate of the lost salaries of the insured and to provide a guarantee for enhancing social protection of the population by implementing proactive measures to prevent unemployment. This Law is applicable to the persons whose employment relations were terminated as a result of the liquidation of a state body or legal entity, or a reduction in the number of employees or staff. 27.**Law of the Republic of Azerbaijan No. 55-IIIQ dated February 7, 2006 “About social benefits”** (Law No.720-IVQD of 30 September 2013 to Amend Law on Social Benefits) establishes social benefits in the Republic of Azerbaijan and other relations arising in this area regulates. The following basic definitions are used for the purposes of this Law:

- social benefits (hereinafter referred to as allowances) - as defined by law provision of social assistance to certain categories of persons in the established order monthly or lump sum money;
- disabled persons - disabled people, aged up to 18 years with limited opportunities of health, the women who reached age of 62 years the men who reached age of 67 years the women who reached age of 57 years, gave birth to 3 and more children and brought up them to 8-year age, or brought up the child with limited opportunities of health to 8-year age the men who reached age of 62 years, independently bringing up 3 and more children to 8-year age in view of the death of mother or deprivation of its maternal rights without entering repeated scrap, grown up the child with limited opportunities of health to 8-year age, the children of the died supporter who did not reach age of 18 years (before the end of training by pupils in full-time courses, but not advanced age of 23 years), or handicapped children is more senior 18 years which limited opportunities of health are established before achievement of 18 years by them.

**Law of the Republic of Azerbaijan No. 275-IVQ dated December 30, 2011” About social service”**. This Law according to Item 16 of part I of article 94 of the Constitution of the Azerbaijan Republic establishes legal, organizational, economic and organizational basis of state policy in the field of social servicing of persons which are in difficult life situation and governs the relations arising in this area. Operation of this Law extends to citizens of the Azerbaijan Republic, and also the foreigners and persons without citizenship needing social services who are constantly living in the territory of the Azerbaijan Republic. The purpose of social service is ensuring prevention of the circumstances aggravating level of living, social psychological state of the citizens leading to their isolation from society, provision of social services in case of difficult life situation. In June

2019, President of the Republic of Azerbaijan Ilham Aliyev has signed an Order on additional measures for expanding social services for the children and other persons with needs for special care. According to the Order, in accordance with the Law of the Republic of Azerbaijan "On Social Services", due to expansion of services (day care, social rehabilitation, psychological, and other support services) for the children and other persons with needs for special care, 5,0 (five) million manats are allocated to the Ministry of Labour and Social Protection of Population from the reserve fund of the President of Azerbaijan envisaged in state budget of the Republic of Azerbaijan of 2019. **29. Law on Targeted State Social Assistance № 1039-IIQ** dated October 21, 2005 (with amendments made in 2008, 2015, 2018, 2019) regulates the purposes and principles of rendering targeted state social assistance, the legal basis for the appointment and other relations arising in this area. Targeted state social assistance is a subsidy provided by the state to low-income families. According to the law, any household with an income below the identified state average was entitled to social assistance. This meant that if a family met any of the underlying criteria, including family members' inability to be employed, death, imprisonment, uncertainty of the family member's location, registered as unemployed at relevant state employment center, and so on, then the family was considered disadvantaged and entitled to social assistance.

The Law was amended on April 24, 2018, and the term "unemployed" became restricted to persons who were registered as unemployed due to the liquidation of the state body or legal entity, or staff redundancy. This now means that those who are unemployed because of reasons dictated by law must firstly be registered as unemployed at relevant state agencies before applying for targeted social assistance.

The law was amended on 2020 and the words "to a person with a disability of the first degree, a child under the age of 8 or a child under the age of 18 with limited health capabilities" had been replaced by the words "to a person with a disability due to 81-100 percent impairment of body functions, a person with a disability under the age of 18, or a child under the age of 8"; This means that if the composition of the family, the address of residence, and the family member who has been assigned to TSSA have not changed and who is receiving a labor pension or social allowance due to the loss of the head of the family, a family member who has been diagnosed with a disability due to 81-100 percent of body functions, or a family member who has been diagnosed with a disability due to 61-80 percent of body functions. In the case of 2 (two) or more family members, three or more children, after the end of the term of social assistance, the re-application of those families for the receipt of Social Assistance within the next 1 year without sending an order to the social assistance worker of the Division or Center (without conducting an examination of household conditions) will be investigated by the relevant information system and an appropriate decision will be issued on the appointment or refusal of the appointment of social assistance.

**Law on "Prevention of Disability, Rehabilitation and Social Protection of Disabled"** (August 1995) defines "disabled person" as "a person, with limited functions, who is in need of social assistance and protection due to congenital or injury/illness caused by physical or mental deficiencies."

### 2.1.3. National Social Legal Provisions and Citizen Engagement

**Law of the Republic of Azerbaijan No 1308-IVQ dated September 30, 2015 “On the procedure for considering appeals of citizens”** regulates the relationships concerning the realization of the right of citizens to apply for state bodies, local municipal bodies, setting the general concepts of the law, general principles of consideration of applications of citizens; defines the sphere of implementation of this law; specifies the requirements to applying citizens; sets the procedure of admission, registration and consideration of applications; deals with the peculiarities of considering application concerning violations of law, corruption; establishes the obligations of officials dealing with applications; rights of applying citizens; introduces peculiarities of oral (not written) application via media or phone. Article 5.4-1 has been added to the Law of the Republic of Azerbaijan "On Citizen Appeals" (Legislative Collection of the Republic of Azerbaijan, 2015, No. 11, Article 1248; 2017, No. 6, Article 1032) with the following content: "5.4-1. The procedure for submitting applications and reviewing these applications for the purpose of registering the initiative group created on citizens' exercise of the right to legislative initiative and the draft law (decision) proposed to be submitted to the Milli Majlis of the Republic of Azerbaijan for discussion "On the procedure for citizens of the Republic of Azerbaijan to exercise the right to legislative initiative" of the Republic of Azerbaijan It is regulated by law. Articles 3.0.7, 3.0.9 of the Law of the Republic of Azerbaijan "On Citizen Appeals" (Legislative Collection of the Republic of Azerbaijan, 2015, No. 11, Article 1248; 2017, No. 6, Article 1032; 2022, No. 7, Article 703) , in the title of Article 15, in Articles 15.1 and 15.2, the word "tele radio" has been replaced by the words "television and radio".

**Law of the Republic of Azerbaijan dated September 30, 2005 “On the right to obtain information”.** The purpose of this Law is to establish the legal framework for ensuring free, unrestricted and equal information access as prescribed by Article 50 of the Constitution of the Azerbaijan Republic based on open society and democratic law-governed state principles, as well as to create conditions for control by citizens on the exercising of public duties. Any person is entitled to apply directly or via his (her) representative to the information owner and to choose the type and form for obtaining the information. Any person applying for the information to its owner is entitled to the following: to inquire on availability of the required information from the information owner, to get supporting details for obtaining the missing information; to obtain the requested information freely, on an unrestricted and equal basis, in case the information owner possesses it. Individuals are entitled to get easily familiarized with the documented information on themselves, obtain and require adjustments to it as well as to inquire on by which persons and for which purposes such information is being utilized.

**Right to civil participation** has a basis in the Constitution of Azerbaijan. Article 54.1 establishes the “right of citizens of the Republic of Azerbaijan to participate in the political and civic life without impediments”.

**Law of the Republic of Azerbaijan № 816-IVQ (November 22, 2013) “On public participation”.** The law “On public participation” envisions several types of consultations, including public discussions and public discussions of draft laws, public hearings, studying of public opinion, and written consultations. Furthermore, there is a decision of Cabinet of Ministers on “Rules for conducting public discussions and public hearings of draft legal acts prepared by

central and local executive bodies and local self-government bodies". Public discussion is defined as "a meeting organized with the participation of authorized representatives of relevant state bodies and local self-government bodies, representatives of civil society institutions, individuals, professionals and experts to prepare proposals from various sectors of society on relevant issues during decision-making of public significance"; and public hearing as "a meeting organized with the participation of authorized representatives of relevant state bodies and local self-government bodies, representatives of civil society institutions, individuals, specialists and experts for conducting public consultations and informing citizens about draft legal acts, certain issues of state and public life" (Article 1.0.4 and 1.0.5., Law on participation). There is no obligation on behalf of the government to conduct public discussions or hearings. State bodies and local self-government bodies, civil society institutions, public councils and individual citizens may initiate hearings or discussions. In the organization of a public hearing and discussion the "precise definition of the purpose and topic" must be ensured, interested parties must be informed about the purpose and the topic of the discussion, "experts and specialists" must be involved, an "independent and extensive analysis of the problem" ensured, and "when necessary, alternative drafts and proposals" submitted. Participation "of authorized representatives of state bodies and local self-government bodies, relevant to the topic of the hearing and discussion" must be secured. Organizer of a public discussion or hearing clarifies and approves its topic, determines the themes of main reports and speakers, prepares a draft agenda, determines its place, time and duration, determines the principles of selection and the form of invitation of participants, and invites them. Organizer, furthermore, prepares explanatory information for the media and the public and places such information at a publicly available place. Organizer also prepares the initial draft of the final documents of the hearing and discussion. Announcement of public hearings and public discussions must also be posted on the initiator's website or in the media at least 7 working days prior to the event with the indication of the exact time and venue.

Additionally to the listed above legislative acts, the environmental and social impact assessment process also should disclosure and stakeholder engagement activities, as per Azerbaijan legislation.

The **Law on Environmental Impact Assessment (EIA Law, 2018)** covers scope, procedure and responsibilities for Environmental Impact Assessment, as well as public consultation and disclosure requirements during environmental assessment. According to the Law the Client (Implementing Agency) has to inform the local population and society in the project area through the media and public hearings and inform them of the results of the EIA before committing the intended activity (Article 12.1.4). The Client should conduct public hearings in accordance with the Law of the Republic of Azerbaijan "On Public Participation" and involve individuals, legal entities, as well as property owners (Article 4.10). Information on the results of the public hearings and discussions should be included in the EIA document (Article 5.3.12).

## 2.2 State Development Programs

In addition to the legislation, there are some major state programs which supports employment and people in need in urban and rural areas.

**The Employment Strategy (2019-2030)** was approved by the President in October 2018, enabling better management of Azerbaijan's labor resources, employment, and social protection. The goal of the strategy is to ensure the transition of employment policy from extensive to an intensive phase, increase the employment level of population, provide full employment, support decent work and increase labor productivity. As a result, the Ministry of Labor and Social Protection of Population will be better able to manage labor resources, employment, and social protection. Under the employment strategy, 530 Ministry staff responsible for job placement, training, retraining and vocational guidance gained important new skills through ILO supported training. This will enable them to provide better services, particularly to young job seekers.

In June 2019, the Ministry of Labor and Social Protection of Population, State Employment Service of Azerbaijan (SES) and the United Nations Development Program (UNDP) announced the start of the **Self-Employment Programme for Persons with Disabilities**.

The **Self-Employment Programme** is part of the Creating Inclusive and Decent Jobs for Socially Vulnerable Groups Project implemented by the Ministry of Labor and Social Protection of the Population, and supported by the UNDP. The aim is to support 500 unemployed persons with disabilities who have the desire and vision to start their own business. To help the unemployed bring their business ideas to life, the programme provides free training in entrepreneurship, advice and financial support in the form of equipment and/or materials. In 2019-2020, the programme will be piloted in the following regions of Azerbaijan: Ganja, Mingachevir, Sumgayit, Shamkir, Zaqatala, Goychay, Barda, Shamakhi, Fizuli, Absheron, Sabunchu and Binagadi regions. All unemployed persons with disabilities registered with the State Employment Centers in these regions are eligible to participate.

**Agency for Sustainable and Operative Social Security** (in Azerbaijani, Dayanıqlı və Operativ Sosial Təminat Agentliyi (DOST)) is a governmental agency which was created by Order № 229 of President of the Republic of Azerbaijan (on 9 August 2018) in order to improve governance in employment, social protection, labor. It is guided by the Constitution of the Republic of Azerbaijan, international treaties to which the Republic is a party, laws of the Republic, decrees and orders of the President, decisions and resolutions of the Cabinet of Azerbaijan, other normative legal acts and agency's Charter. It collects all the services of the MLSPP at one place using Single Window System. The first agency center is opened in Yasamal, Baku city. "DOST" centers are established to provide employment services, labor, social protection and guarantees, as well as other services in accordance with the activities of the MLSPP.

Main spheres of agency's services include:

- Labor
- Employment
- Social security
- Appointment of pensions
- Social benefits
- Targeted state social assistance
- Disability assessment
- Disability determination
- Pension

- Banking services
- Lawyer consultation
- Individual registration and removal of insured persons
- Functional help services
- Social services
- Insurance services and etc.

**DOST centers** also allow providing methodological assistance to employers and employees. DOST centers have the competence of registration of labor contracts. Furthermore, in special cases agency is providing unemployed people with an opportunity of self-employment, although providing a new system of disability determination. DOST centers also have a duty to create and update the unified portal for vacancies, registering CV-s of people seeking employment. DOST Agency is operating on a commercial basis (self-financing autonomous principle) and most of the services are paid.

The legal and regulatory framework of Azerbaijan provides an adequate and appropriate enabling framework for implementing the key activities to be taken up under the program. The constitution of the Republic of Azerbaijan and several laws highlight the importance of state's commitment to serving and ensuring protection of the public, in general, the poor and vulnerable population.

### 2.3 World Bank Environmental and Social Standard on Stakeholder Engagement

44. The World Bank's ESF includes Environmental and Social Standard (ESS) 10 on "Stakeholder Engagement and Information Disclosure", which recognizes "the importance of open and transparent engagement between the Borrower and project stakeholders as an essential element of good international practice".

ESS10 emphasizes that effective stakeholder engagement can significantly improve the environmental and social sustainability of projects, enhance project acceptance, and make a significant contribution to successful project design and implementation. ESS10 applies to all projects supported by the Bank through Investment Project Financing. The Borrower will engage with stakeholders as an integral part of the project's environmental and social assessment and project design and implementation.

According to the World Bank's ESF (June 2018), the requirements set out by ESS10 are the following:

- Borrowers will engage with stakeholders throughout the project life cycle, commencing such engagement as early as possible in the project development process and in a timeframe that enables meaningful consultations with stakeholders on project design. The nature, scope and frequency of stakeholder engagement will be proportionate to the nature and scale of the project and its potential risks and impacts.
- Borrowers will engage in meaningful consultations with all stakeholders. Borrowers will provide stakeholders with timely, relevant, understandable and accessible information, and consult with them in a culturally appropriate manner, which is free of manipulation, interference, coercion, discrimination and intimidation.
- The process of stakeholder engagement will involve the following, as set out in further detail in the ESS: (i) stakeholder identification and analysis; (ii) planning how the



engagement with stakeholders will take place; (iii) disclosure of information; (iv) consultation with stakeholders; (v) addressing and responding to grievances; and (vi) reporting to stakeholders.

- The Borrower will maintain and disclose as part of the environmental and social assessment, a documented record of stakeholder engagement, including a description of the stakeholders consulted, a summary of the feedback received and a brief explanation of how the feedback was taken into account, or the reasons why it was not.

### III. BRIEF SUMMARY OF PREVIOUS STAKEHOLDER ENGAGEMENT ACTIVITIES

#### 3.1. Key stakeholder meetings and consultations

The project preparation has been engaging with various project stakeholders since concept stage of the project . The following types of stakeholder engagement activities have taken place to date and will be continued on regular basis:

- Formal and informal communication with government agencies at the national, regional and local level;
- Formal and informal communication with international donor organizations;
- Meetings / Focus group discussions with beneficiaries / users of existing self-employment program
- Meetings / Focus group discussions with current applicants of self-employment program
- Semi structured interviews with local and regional SEA centers, social workers/case officers
- Capacity building information sessions on project Environmental and Social Framework, GRM mechanisms, project challenges and updates

Details about the meetings and consultations held with beneficiaries and stakeholders of the program are presented below.

About 46 Stakeholders meetings were conducted from 2021 till 2024 with purpose of increasing knowledge/awareness about self-employment program, accessibility of the program, project Environmental and Social Management Framework (ESMF), Environmental and Social Management Plan (ESMP) for moderate risks sub projects, GRM Redress and updated participants on project upcoming activities.

The latest Stakeholders meetings have given in Table 1 below.

**Table 1. Stakeholder meetings, information sessions**

<b>Place</b>	<b>Date</b>	<b>Participants</b>	<b>Key Points raised</b>
Baku (zoom platform)	29.09.23	SEA employees	ESP Environmental and Social Framework Project information and updates
Lankaran	05.10.23	2 Employees of SEA and 11 mixed participants from which 7 are women	Knowledge/ awareness about self-employment program; accessibility of the program; challenges in the program; trainings; grievance/ complaints redress mechanism; recommendations for the program. Project Development Environmental and Social Framework; next steps and agreed actions
Shirvan	19.10.2023	2 Employees of SEA and 62 mixed participants from which 49 are women	Knowledge/awareness about self-employment program; accessibility of the program; challenges in the program; trainings; grievance/ complaints redress mechanism; recommendations for the program. Project Development Environmental and Social Framework; next steps and agreed actions
Barda	16.11.2023	2 Employees of SEA and 44 mixed participants from which 20 are women	Knowledge/awareness about self-employment program; accessibility of the program; challenges in the program; trainings; grievance/ complaints redress mechanism; recommendations for the program. Project Development Environmental and Social Framework; next steps and agreed actions

### 3.1 Key issues/ findings emerged from the social assessment and consultations.

The followings are findings of the assessment and consultations:

1. Applicants and beneficiaries knew about self-employment program from local SEA centers and/or TV program and public information sessions conducted by PIU and its subcontractors;
2. In the future, they prefer to get information about new project and its development through TV / radio channels, social media, /SEA centers employees, community meetings;
3. Low awareness and knowledge about laws and regulations on self-employment program among applicants and beneficiaries;
4. Majority of respondents noted that the main purpose for applying to self-employment program was to become an entrepreneur, and improve financial situation and wellbeing of their households;
5. People usually submit their grievances and claims to SEA offices or directly to PIU during public meetings or by available communication channels.
6. According to respondents in overall the program is accessible for everyone, however there are certain eligibility criteria for applicants (e.g. pensioners, or people with TAX ID are not eligible);
7. Gender balance mainly is ensured in urban area compared to rural area due to low interest and participation among women in rural area. This caused due to income-generating activities related to livestock/ cattle breeding which mainly done by men and women only assist them. Therefore, primary applicants and users of AzSEP in rural area are men. In addition, rural people, especially women, find it difficult to reach SEA as they are located in district centers;
8. Beneficiaries of the program complained that repeated application and participation in the program is prohibited;
9. Among challenges they face when applying for a self-employment program the respondents mentioned a lot of legal/ bureaucratic procedures and documents are required, long duration of documentation process/ receiving assets, lack of materials/ assets. During AzSEP the users of the programs highlighted a problem of purchasing medications for cattle
10. According to SEA employees the beneficiaries mostly complain about long process/ duration of receiving assets under their ownership
11. SEA employees marked that they are satisfied by capacity building activities conducted by ESP and encourage continuation of this practice. According to them they wanted to receive more information about project ESMF, ESMP, GRM mechanisms, gender-based violence on regularly basis.
12. Among recommendations the respondents suggested:

- Removal of restrictions on residence registration of persons who apply to this program
- To supply of additional material / raw materials to persons who have already received assets. For example, for tailors, in addition to assets, to obtain fabric or others
- Simplification of procedures and assistance for persons who have already received assets to facilitate their future activities
- For the effectiveness and improvement of this program in the future, in addition to standard professions/ industries, to introduce new industries, professions ( manicure for women, olive oil production)
- To ensure guarantee for received assets
- To increase limit for assets
- Alike other countries' examples to exempt entrepreneurs from tax payment and utility bills payment at least first 2 years of business establishment and operation
- Instead of SEA purchasing assets/ a cattle, to give financial assistance to users of the program and they will purchase assets themselves as they know better what they need and type of assets
- To organize trainings / capacity building on legislation, environmental and social issues associated with sub-projects, scaling up grievance mechanisms , psych-motivational and gender-based violence knowledge exchange programs / study tours
- To organize awareness raising events about SEP for women
- To introduce incentives measures from the state to increase number of women entrepreneurs and stimulate their activities
- To organize cooperatives/ joint farms
- Capacity of SEA centers is low. SEAs require more equipment (including transport, office) and human resources

## IV. STAKEHOLDER MAPPING, SEGMENTIZATION AND ANALYSIS

### 4. Stakeholder Mapping and Analysis

ESS10 recognizes two broad categories of stakeholders: “Project-affected parties” and “Other Interested parties”. The latter includes “those likely to be affected by the project because of actual impacts or potential risks to their physical environment, health, security, cultural practices, well-being, or livelihoods. These stakeholders may include individuals or groups, including local communities”. They are the individuals or households most likely to observe changes from environmental and social impacts of the project. Project affected parties are described in the table below.

- **Project- Affected Parties** – persons, groups and other entities within the Project Area of Influence (PAI) that are directly influenced (actually or potentially) by the project and/or have been identified as most susceptible to change associated with the project, and who need to be closely engaged in identifying impacts and their significance, as well as in decision-making on mitigation and management measures;
- **Other Interested Parties** – individuals/groups/entities that may not experience direct impacts from the Project but who consider or perceive their interests as being affected by the project and/or who could affect the project and the process of its implementation in some way; and
- **Vulnerable Groups** – persons who may be disproportionately impacted or further disadvantaged by the project(s) as compared with any other groups due to their vulnerable status, and that may require special engagement efforts to ensure their equal representation in the consultation and decision-making process associated with the project(s).

Engagement with all identified stakeholders will help ensure the greatest possible contribution from the stakeholder parties toward the successful implementation of the project(s) and will enable the project(s) to draw on their pre-existing expertise, networks and agendas. It will also facilitate both the community’s and institutional endorsement of the project by various parties. Access to the local knowledge and experience also becomes possible through the active involvement of stakeholders.

**Table 2: Description of project-affected parties and vulnerable groups**

Name of stakeholder	Description	Issues	Significance level
Women including female headed households	Women with no skills (school education only). Women engaged in seasonal agriculture; Women after maternity leave; Women with secondary vocational education; Single mothers/Female headed households	Women wish to be employed, but either they have no sufficient skills or have nobody to leave their children with, while they are at work; Lack of full time/ official jobs in rural area; Low level of women participation in AzSEP; Lack of knowledge on rights and available social protection and employment programs	High
Youth	Young people with no skills (school education only); Unemployed young people engaged in seasonal agriculture or construction; Unemployed young people with secondary vocational education; Young people with limited economic opportunities to continue education; Young graduates with no job relevant skills	Want to get well-paid job and need training; Permanent job with official employment expected; Lack of employment in rural area; No skills, insufficient knowledge, the only option to go for labor migration	High
Internally displaced people (IDPs)	Internally displaced people with no right to land ownership; Internally displaced Lack of skills and knowledge no agricultural or entrepreneurship programs	Want to get well-paid job and need training; Permanent job with official employment expected	High

<b>Name of stakeholder</b>	<b>Description</b>	<b>Issues</b>	<b>Significance level</b>
Individuals with disabilities	Individuals with disabilities willing to work with limited skills and education	In some organizations/ companies/ enterprises, there are no work conditions for disabled people.	High
Veterans of Garabagh war	Veterans of Garabagh war with disabilities willing to work with limited skills	In some organizations/ companies/ enterprises, there are no work conditions for disabled people.	High
Unskilled people	Do not have full secondary education; Lack of financial resources, financial literacy, or technical skills;	Require skill training/ education	Medium to High
Existing beneficiaries of the TSSA program	TSSA recipients with no skills in agricultural or entrepreneurship programs; TSSA recipients are not aware of opportunities provided by SEP	TSSA recipients become ineligible for TSSA after receiving assets from the SEP; Lack of skills and knowledge on agricultural or entrepreneurship programs	Medium to High
Unemployed persons released from places of detention	Persons released from places of detention face difficulties to get jobs.	Require training and special control in the beginning; Employers are afraid or refuse to hire persons released from places of detention	Medium to High
Family members of martyrs	Family members of martyrs lost their family members (son/ husbands/ fathers) during war	Lost breadwinner of the family Require financial support	Medium to High



**Table 3. Description of other interested parties**

<b>Name of stakeholder</b>	<b>Level</b>	<b>Description</b>	<b>Key role in social protection system</b>	<b>Significance level</b>
Ministry of Labor and Social Protection of Population of the Republic of Azerbaijan	National	Ministry of Labor and Social Protection of Population is the main state institution responsible for labor, employment, and social protection policy making. The ministry is tasked with the development and regulation of labor market and ensuring employment of population, regulation of labor relations and labor protection, provision of social services for population and medical-social rehabilitation of persons with disabilities.	Ministry of Labor and Social Protection of Population is engaged in analysis of the current situation on social benefits, number and size of benefits provided to the population, number of people who applied for benefits , etc.	High
State Employment Agency under the Ministry of Labor and Social Protection of the Population	National	State Employment Agency is the executive body that implements social protection measures for unemployed people looking for work and unemployed citizens.	The service provides them with information about demand and offer in the labor market, organizes vocational trainings in order to assist young people in choosing a profession, organizes professional training, retraining and professional development of unemployed and job seeker people, organization of public works, organization of labor fairs, registers as unemployed, determinates unemployment benefit and payment, organizes temporary employment of citizens through labor	High

Name of stakeholder	Level	Description	Key role in social protection system	Significance level
			exchanges. In addition, the Service is responsible for implementation of self-employment program. There are Baku, Goychay, Ganja, Barda, Nakhchivan Regional Training Centers, which are subordinated to State Employment Agency under the Ministry of Labor and Social Protection of Population.	
State Employment Agencies centers (SEAs)	City/district	Engaged in support to the population who are unemployed due to various reasons, including social vulnerability (disability, women-head household, poor, unskilled people etc.) for further employment.	Inspectors of SEA centers and representatives of Pension Fund informs residents of their districts on any changes and amendments on legislation through the regular visiting the areas, organization discussions and meetings as well as fairs of vacant jobs on the designed schedule. SEP Career Adviser i.e. staff currently employed in each local SEA centers manages self-employment applications.	High
UNDP	International	UNDP works to eradicate poverty and helps countries to develop strong policies, skills, partnerships and institutions so they can sustain their progress.	MLSPP and UNDP announced the start of the Self-Employment Programme for Persons with Disabilities in Azerbaijan. The aim is to support 500 unemployed persons with disabilities who have the desire	High

Name of stakeholder	Level	Description	Key role in social protection system	Significance level
			and vision to start their own business. To help the unemployed bring their business ideas to life, the programme provides free training in entrepreneurship, advice and financial support in the form of equipment and/or materials.	
Ministry of Finance	National	The Ministry of Finance is state body engaged in elaboration of state policy in the budgetary, tax and customs and tariff spheres, as well as in the sphere of financial market, insurance, provision of pensions to citizens, accounting and financial statements, financing of state organizations and state funded organizations, pricing on goods and services, ensuring achievement of strategic macroeconomic indicators and parameters of the State budget of the Republic of Azerbaijan.	Department of Social Protection, Social Security and Health Financing at Ministry of Finance and regional finance departments carries out coordination and development of normative documents for regulating the sector of social protection of the population.	High
Ministry of Education, State Agency on Vocational Education	National	Ministry of Education is the central executive authority of carrying out state policy and regulation within the field of education, general methodic management of education process.	Legislative and procedural environment permitting, trainings for SEP beneficiaries may be carried out in partnership with VET schools operated by the Ministry of Education that are participating in the VET Reform Project supported by the European Union	Medium

<b>Name of stakeholder</b>	<b>Level</b>	<b>Description</b>	<b>Key role in social protection system</b>	<b>Significance level</b>
The Small and Medium Business (SMB) Development Agency of the Republic of Azerbaijan.	National	As a legal entity under the Ministry of Economy, the Agency is authorized to support the development of small and medium businesses (SMBs) in the country by providing SMBs with a number of services as well as ensuring coordination and regulation of services rendered by government entities to SMBs.	Meeting modern requirements in compliance with international experience, and effective coordination mechanisms so as to increase the contribution and share of micro, small and medium-sized businesses in the national economy, boost their competitiveness, present them with broader opportunities to access financial resources, improve mechanisms to provide them with institutional support. coordinate the activities implemented by public and private entities in this area, establish favorable business environment to ensure development of entrepreneurship in the country's regions and attract domestic and foreign investments to this area of activity.	Medium
Local authorities/ Local Executive Power( İcra Hakimiyyeti)	City/district	Each administrative district has a Local Executive Power. The head of the local Executive power (governor) is appointed by the president. The governor is supported by an executive apparatus and has broad authority to ensure the implementation of most public services.	Responsible for oversight and coordination of activities implemented within the district. Determination of scope of public works. Consideration and approval of applications for public works in the district/city	Medium

## V. IMPACT ASSESSMENT AND RISK MANAGEMENT

**Table 4. Impact assessment and risk management.**

<b>Stakeholders</b>	<b>Positive Impacts</b>	<b>Negative Impacts</b>	<b>Risk and remarks</b>	<b>Mitigatory Measures</b>
Affected parties	<ul style="list-style-type: none"> <li>-The registration at the SEAs will increase;</li> <li>-Improved employment opportunities;</li> <li>- Better support services for SEP beneficiaries;</li> <li>-More employment opportunities for youth;</li> <li>-Increased knowledge on business knowledge and practice/ skills;</li> <li>-Increased labor productivity and economic activity of the population;</li> <li>-Increased family income;</li> <li>-Creation of additional jobs;</li> <li>-Increased number of taxpayers and social insurance payments;</li> <li>-Increased number of soft outcomes such as job search behaviors, motivation, attitudes to work and financial behaviors (borrowing, saving);</li> <li>- Increased job-relevant skills among youth;</li> </ul>	<ul style="list-style-type: none"> <li>Possible exclusion of eligible beneficiaries due to lack of information or capacity to apply</li> </ul>	<ul style="list-style-type: none"> <li>The social risk is rated as low</li> </ul>	<ul style="list-style-type: none"> <li>- Public outreach/ awareness campaign program by the MLSPP through SEA;</li> <li>- Citizen engagement activities will include periodical beneficiary satisfaction surveys, a dedicated online consultation portal, public / community meetings ( once per year at the local SEA)</li> </ul>

Stakeholders	Positive Impacts	Negative Impacts	Risk and remarks	MitigatoryMeasures
	- Developed grievance and redress mechanism (GRM) for AzSEP applicants and beneficiaries			
Other interested parties	<ul style="list-style-type: none"> <li>- Surplus funds for unemployment benefits;</li> <li>- SEA management information system (MIS) will be upgraded;</li> <li>- Capacity building support to the client;</li> <li>- More training modules developed;</li> <li>- Enhanced application and selection mechanism to ensure greater sustainability will be developed;</li> <li>- Strengthened M&amp;E system of MSLPP;</li> <li>- Streamlined online support services;</li> <li>- - Labor market assessment and development of VTC strategy carried out</li> </ul>	<p>The workload at the employment centers is likely to go up, which will have implications on resources, the lack of capacity of local staff. At the same time, hiring of new staff who needs to be trained may hinder smooth implementation of the project</p>	<p>The social risk is rated as low There is a risk for exclusion error and inclusion error. Exclusion error fails to target people that actually need to benefit, whereas, inclusion error may cause inefficient targeting of the project beneficiaries. From the social perspective exclusion error is more significant.</p>	<ul style="list-style-type: none"> <li>- Modernization of systems and procedures to reduce exclusion errors;</li> <li>- The capacity of national institutions and structures will be built to develop, plan and implement risk mitigation process;</li> <li>- Outreach and program promotion activities to ensure that targeted groups are aware of and able to access program benefits</li> </ul>

## VI. STAKEHOLDER ENGAGEMENT PLAN

### 6.1 Stakeholder engagement activities

The table below presents the stakeholder engagement activities under the project.

**Table 5. Stakeholder engagement activities**

Subgroup	With whom	Channels of Engagement	Venue	Frequency	Engagement methods	Purpose
World Bank	MLSPP, MoF	E-mails, implementation support and supervision missions, prior review of bids, mid-term and final review	Virtual, site visits to the target districts, VCs	Quarterly reports, biannual missions, regular monitoring visits by the CMU	Aide Memories, monitoring reports	To keep informed about the project implementation progress, challenges faced and seek for approvals for the project transactions and procurements
Ministry of Labor and Social Protection of the Population	Other Stakeholders, Beneficiaries, WB	Official internal and external communications	MLSPP, SEAs	Regularly	Monitoring, progress reports, face to-face (or virtual and offline) meetings.	Sharing of information, reviews, clearance and seeking support
Ministry of Finance	MLSPP WB	Official internal and external communications, Written requests via official letters and emails	Visits, official meetings	Regularly	Project progress, budget and financing, official requests, and letters.	Sharing of information, reviews, clearance and seeking support, to keep informed the Financial Guarantee of the GoA

<b>Subgroup</b>	<b>With whom</b>	<b>Channels of Engagement</b>	<b>Venue</b>	<b>Frequency</b>	<b>Engagement methods</b>	<b>Purpose</b>
Project Implementation Unit at MLSP SEA (PIU)	Stakeholders	Stakeholder awareness and consultations campaigns	Internal or external event venues, virtual	Annual, regularly	Press conferences , seminars, face-to-face meetings with all project stakeholders, mass/ social media, stakeholders/ beneficiaries /PAP opinion/ perception surveys, communication materials	Sharing information, to keep informed about the project achievements
	SEA, Regional SEA branches	Operational meetings, trainings	Meeting hall of the Ministry; SEAs offices	Quarterly	Monitoring reports, face-to-face meetings with regional employment services centers	To implement the project components
	All stakeholders/ beneficiaries including PAPs	GRM	PIU office	Regularly	The website, telephone, email, online letter, social media, leaflets, ads, posters, brochures, hand-outs, public consultations .	To ensure beneficiaries are informed about the project level GRM.
SEA	SEA centers	Operational meetings	SEA offices MLSP	Quarterly	Monitoring reports, face-to-face meetings with SEA centers and beneficiaries/ PAPs	To implement the project components.
SEA regional centers	Project beneficiaries including PAPs	Beneficiary consultations and	SEA centers Community premises	Regularly	Public/community meetings,	To increase awareness, provide



<b>Subgroup</b>	<b>With whom</b>	<b>Channels of Engagement</b>	<b>Venue</b>	<b>Frequency</b>	<b>Engagement methods</b>	<b>Purpose</b>
		outreach campaigns GRM			seminars, face-to-face meetings; Leaflets, posters, brochures, handouts Participatory/ beneficiary assessment surveys	consultations and collect feedbacks, to ensure beneficiaries are informed about the project interventions and expected outcomes, as well as the Project specific GRM.
	Other stakeholders (external parties)	Stakeholder awareness and consultations campaigns, i	SEA centers Community premises	Regularly	Public/community meetings, seminars, face-to-face meetings, leaflets, posters, brochures, handouts	To increase awareness, provide consultations and collect feedbacks.

## VII. IMPLEMENTATION ARRANGEMENTS FOR STAKEHOLDER ENGAGEMENT

### 7.1. Implementation Arrangements

The already established Project Implementation Unit (PIU), will continue to be responsible for the day-to-day project management, including environmental and social management and addressing potential environmental and social risks. The PIU will be responsible for engaging with the stakeholders. Six M&E specialists, environmental specialist and two ESF social specialists will ensure the regular monitoring of the project result framework and adherence with social and environmental requirements, and management of the SEP. However, the entire SEA will be involved in engaging with the stakeholders.

### 7.2. Roles and Responsibilities

A core Community Liaison/Outreach Team comprised of MLSP, the PIU environmental and social specialists, M&E specialists, SEA and regional branches of SEA centers staff continue to take responsibility for and lead all aspects of the stakeholder engagement. However, to implement the various activities envisaged in the SEP, the Community Liaison Team will need to continue to closely coordinate with other key stakeholders – other national and local government departments/agencies and PAPs. The roles and responsibilities of these actors/stakeholders are summarized in the Table below.

**Table 6. Responsibilities of key actors/stakeholders in SEP Implementation**

Actor	Stakeholder Responsibilities
MLSP, SEA and PIU	<ul style="list-style-type: none"> <li>• Planning and implementation of the SEP;</li> <li>• Leading stakeholder engagement activities;</li> <li>• Management and resolution of grievances;</li> <li>• Coordination/supervision of contractors on ESCP and SEP activities;</li> <li>• Monitoring of and reporting on social performance to GoA and the World Bank.</li> </ul>
DOST	<ul style="list-style-type: none"> <li>• Participation in implementation of SEP</li> <li>• Involvement in GRM data collection</li> </ul>
SEA	<ul style="list-style-type: none"> <li>• Inform PIU of any issues related to their engagement with stakeholders;</li> <li>• Provide report on all complaints/grievances to the PIU GRM Focal Point;</li> <li>• Transmit and resolve complaints/grievances caused by the project interventions in close collaboration with and as directed by PIU and by participating in the local Grievance Resolution Committee;</li> <li>• Disclose and implement various plans (e.g. SEP, Labor Management Plan, etc.).</li> </ul>
SEA centers (district/city)	<ul style="list-style-type: none"> <li>• Monitor Project compliance with Azerbaijani legislation;</li> </ul>

Actor	Stakeholder Responsibilities
	<ul style="list-style-type: none"> <li>• Participate in the implementation of assigned activities in the ESCP and SEP;</li> <li>• Provide report on all complaints /grievances to the Regional GRM Focal Point;</li> <li>• Participate in the local Grievance Resolution Committee</li> <li>• Make available the disclosed ESCP, SEP documents and GRM procedures.</li> </ul>
Project-affected parties	<ul style="list-style-type: none"> <li>• Invited to engage and ask questions about the Project at Project Meetings and through discussions with regional/ local career adviser/ focal points where it is of interest or of relevance to them;</li> <li>• Lodge their grievances using the Grievance Redress Mechanism defined in the SEA;</li> <li>• Help the Project to define mitigation measures;</li> </ul>
Other project stakeholders	<ul style="list-style-type: none"> <li>• Engage with PIU regarding project design;</li> <li>• Raise concerns to help the project to be inclusive.</li> </ul>

### 7.3 Stakeholder Engagement Methods to be used |

#### Public/community meetings

PIU and its subcontractors with the support of SEA regional branches organize meetings in each district/city for, PAPs, and other interested parties. Meetings are open house events where PIU staff and its subcontractors presents information on project objectives, goals, ESS, SEP, and ESMF. The participants of the meeting invites to make comments and express any concerns. If there is sufficient interest, separate meetings will be held for women, at which women will also be the primary representatives of SEAs. Meetings in each of the district/city will also be organized on a semi-annual basis.

#### Communication materials

Written information is disclosed to the public via a variety of communication materials including brochures, flyers, posters, etc. The communication materials will continue to be produced by the PIU. MLSPP ( <http://sosial.gov.az>) and SEA ( <https://dma.gov.az>) will continue to update its website regularly (at least on a quarterly basis) with key project updates and reports on the project's performance both in Azerbaijani and English. The website also provides information about the grievance mechanism for the project.

#### Mass/social media communication

Social specialists (from MLSPP/PIU) staff have been engaged on the Project during the project implementation in order to remain in close communication within stakeholders including PAPs, community leaders. The social specialists are responsible for posting relevant information on the

Commented [AMP1]: This is all in future tense but some should be in current tense as these are already in place

Commented [AP2R1]: Thanks, corrected

dedicated MLSP website, social media channels (Facebook, etc.) and on information boards throughout the project's lifecycle. In addition to that short radio programmes, video materials or documentary broadcast on TV (with description of the project, advance announcement of the forthcoming public events or commencement of specific Project activities) will be organized.

#### **Stakeholders/ Beneficiaries /PAP opinion/ perception surveys**

The project has financed the design and a pilot of a labor market needs assessment survey (LMNA) survey with both public and private employers, and key stakeholders such as local chambers (both quantitative and qualitative surveys)

Beneficiary Assessment and Satisfaction Study (Bass) will be conducted once in a year for strengthening of established M&E system, Review and update of ESF tools, and maintaining a GRM System for the current project. Two beneficiary assessment surveys; one conducted in year 2 of the project and the second in year 6. The sample includes beneficiaries of SEP, rejected applicants and the general registered jobseekers, with and without the "unemployment status". The beneficiary assessment has collected feedback from SES beneficiaries on the quality and relevance of the services and programs.

#### **Grievance redress mechanism**

In compliance with the World Bank's ESS10, a project-specific grievance mechanism was established to handle complaints and issues. Dedicated communication materials (specifically, a GRM guideline will be developed and disseminated to MLSP ,SEA, DOST relevant staff to ensure a functional transparent and responsive system for handling grievances.

The apprentices which will be part of the additional finance will be informed about the GRM.PIU will continue to maintain a grievance register in order to capture and track grievances from submission to resolution and communication with complainants. The initial effort to resolve grievances to the complainant's satisfaction is undertaken by SEA center. MLSP's website, posters, and leaflets will include clear information on how feedback, questions, comments, concerns, and grievances can be submitted by any stakeholder. It will also provide information on the way grievances will be handled, both in terms of process and deadlines.

#### **Training, workshop**

Finally, trainings on a variety of topics and issues will be provided to MLSP, PIU, SEA and possibly relevant government or non-government service providers. Issues covered will include sensitization to inclusion/exclusion, labor issues, gender, etc.

Psycho-motivational workshops for applicants/ beneficiaries will help improving entrepreneurial (soft) skills and foster a proactive mindset.

Specific business and financial skills trainings (a variation of the ILO's standard "Start and Improve Your Business" (SIYB) training module) will be provided to all beneficiaries following their registration in the program and the verification of eligibility.

Technical skills training courses will be designed and offered to SEP participants, in line with the activities they intend to carry out as part of the program, to improve the use of assets as well as the profitability and sustainability of their businesses.

The project will train SEA staff for improved engagement modalities with SEP clients as well as improved program implementation. The project will provide training for SEA staff to possess better understanding in all aspects of the SEP operations, from working with vulnerable groups to recognizing needs to understanding basic management accounting. Carrier advisors will be trained on (i) communication and client engagement; (ii) M&E; (iii) principles and practices of social work (including identification of social and health constraints and referral); (iv) basic business feasibility; (v) basic management accounting; (vi) taxation.

#### 7.4 Information disclosure

The current MLSPP website (<http://sosial.gov.az/>) is being used to disclose project documents, including those on social performance in Azerbaijani and English. MLSPP will create a webpage on the Project on its existing website and SEP webpage: <https://sosial.gov.az/fealiyyet/destek-istiqametleri/mesgulluq/azerbaycanda-mesgulluga-destek-layihesi> .

All future project-related social monitoring reports listed in the above sections will be disclosed on this webpage. Project updates will also be posted on the homepage of MLSPP's website. An easy-to-understand guide to the terminology used in the social reports or documents will also be provided on the website. All information brochures/fliers will be posted on the website. Details about the Project Grievance Resolution Mechanism will be posted on the website. An electronic grievance submission form will also be made available on MLSPP's website. Contact details of the Social Specialist /Community Liaison Team and headquarters and all SEA relevant persons at the District levels will also be made available on the website. MLSPP will update and maintain the website regularly (at least on monthly basis). Further, MLSPP will update Facebook page (<https://www.facebook.com/sosial.gov.az/>) on the project information for PAPs and other stakeholders.

#### 7.5 Estimated Budget

The stakeholder engagement activities featured above cover a variety of social issues, which may be part of other project documents, so it is possible that they have also been budgeted in other plans. The MLSPP PIU will be responsible for planning and implementation of stakeholder engagement activities, as well as other relevant outreach and disclosure activities. In order to ensure successful SEP implementation, a series of capacity building activities are necessary for which the project has to provide adequate funding. The implementation cost for SEP is covered by component on project management, monitoring and evaluation.

### III. GRIEVANCE REDRESS MECHANISM

A grievance redress mechanism system is currently maintained by EMAS system of MLSPP. Development of a grievance and redress mechanism (GRM) for AzSEP applicants and beneficiaries are implemented under Component 3 of the project: Enhancing the scope and effectiveness of Azerbaijan Self-Employment Program (AzSEP).

GRM for direct workers and contracted workers developed based on WB ESS2: Labor and Working Conditions Grievances (Annex 1).

GRM Manual for beneficiaries are in process of development and will be distributed among them after completion.

The GRM will be accessible to the full range of project stakeholders, including project-affected parties, community members, civil society, media, and other interested parties. Stakeholders can use the GRM to submit complaints, feedback, queries, suggestions, or even compliments related to the overall management and implementation of the project. The GRM is intended to address issues and complaints from external stakeholders in an efficient, timely, and cost-effective manner. A separate mechanism will be used for worker grievances. The PIU at MLSPP will be

responsible for managing the stakeholder GRM. The PIU will enable local and regional SES centers as GRM focal points. By this arrangement the project will be able to address effectively and efficiently all grievances raised at grassroots level, which will have countrywide scattered pattern including those in remote areas.

### 8.1 Grievance resolution process

Information about the GRM will continue to be publicized as part of the Public/community meetings. Brochures will be distributed during consultations and public meetings, and posters will be displayed in public places such as in government offices, project offices, SES offices, community notice boards, etc. Information about the GRM will also be posted online on the MLSPP website.

The overall process for the GRM will be comprised of six steps:

- **Step 1: Uptake.** Project stakeholders will be able to provide feedback and report complaints through several channels: in person at focal points of various levels (SEA offices, PIU, and MLSPP), by mail, telephone/ hotline (142) , online letter (<http://e-mlspp.gov.az/LETTER.aspx>) and email. An example of a grievance registration form is provided in Annex 2.
- **Step 2: Sorting and processing.** Complaints and feedback will be compiled by PIU Social specialist and/or SEA center employee and recorded in a register. Each focal point will assign one individual to be responsible for dealing with each complaint. The timeline for complaint resolution according to national legislation will be **15 working days** upon receipt of the complaint that does not require additional study and research, and **30 working days for the appeals** that need additional study.
- **Step 3: Acknowledgement and follow-up.** The complainant will be informed of the outcome immediately and at the latest within **5 days** of the decision. The responsible person will communicate with the complainant and provide information on the likely course of action and the anticipated timeframe for resolution of the complaint. If complaints are not resolved within 15 days, the responsible person will provide an update about the status of the complaint/question to the complainant and again provide an estimate of how long it will take to resolve the issue. In addition, each focal point will report to the PIU every two weeks on grievances that have remained unresolved for 30 days or more.
- **Step 4: Verification, investigation and action.** This step involves gathering information about the grievance to determine the facts surrounding the issue and verifying the complaint's validity, and then developing a proposed resolution, which could include changes of decisions concerning eligibility for mitigation, assistance, changes in the program itself, other actions, or no actions. Depending on the nature of the complaint, the process can include site visits, document reviews, a meeting with the complainant (if known and willing to engage), and meetings with others (both those associated with the project and outside) who may have knowledge or can otherwise help resolve the issue. It is expected that many or most grievances would be resolved at this stage. All activities taken during this and the other steps will be fully documented, and any resolution logged in the register.

- **Step 5: Monitoring and evaluation.** Monitoring refers to the process of tracking grievances and assessing the progress that has been toward resolution. The PIU will be responsible for consolidating, monitoring, and reporting on complaints, enquiries and other feedback that have been received, resolved, or pending. This will be accomplished by maintaining the grievance register and records of all steps taken to resolve grievances or otherwise respond to feedback and questions. Within the project the concept and the operational guidelines and the MIS module of a GRM system for SES to record and address complaints not only from AzSEP beneficiaries /applicants but also from other registered jobseekers will be developed.

- **Step 6: Providing Feedback.** This step involves informing those to submit complaints, feedback, and questions about how issues were resolved, or providing answers to questions. Whenever possible, complainants should be informed of the proposed resolution in person. If the complainant is not satisfied with the resolution, he or she will be informed of further options, which would include pursuing remedies through the World Bank, as described below, or through avenues afforded by the Azerbaijan legal system. On a monthly basis, the PIU will report to the MLSP on grievances resolved since the previous report and on grievances that remain unresolved, with an explanation as to steps to be taken to resolve grievances that have not been resolved within 30 days. Data on grievances and/or original grievance logs will be made available to World Bank missions on request, and summaries of grievances and resolutions will be included in periodic reports to the World Bank.

MLSP through PIU will be responsible for carrying grievances through all six steps. Step 4 (Verify, Investigate, and Act) could involve interviews of the aggrieved party, workers, or other stakeholders; review of records; consultation with authorities; and/or other fact-finding activities. If the grievance cannot be resolved to the satisfaction of all parties, it will be referred to Grievance Redress Commission (GRC1), who would retrace Step 4 as needed. GRC 1 will include senior representatives of State Employment Services regional centers. If the issue cannot be resolved by GRC 1, it will be referred to GRC 2 which will consist of PIU leadership, senior managers of SES in Baku city.

## 8.2 Grievance Logs

As noted previously, the PIU will maintain a grievance log. This log will include at least the following information:

- Individual reference number
- Name of the person submitting the complaint, question, or other feedback, address and/or contact information (unless the complaint has been submitted anonymously)
- Details of the complaint, feedback, or question/her location and details of his / her complaint.
- Date of the complaint.



- Name of person assigned to deal with the complaint (acknowledge to the complainant, investigate, propose resolutions, etc.)
- Details of proposed resolution, including person(s) who will be responsible for authorizing and implementing any corrective actions that are part of the proposed resolution
- Date when proposed resolution was communicated to the complainant (unless anonymous)
- Date when the complainant acknowledged, in writing if possible, being informed of the proposed resolution
- Details of whether the complainant was satisfied with the resolution, and whether the complaint can be closed out
- Date when the resolution is implemented (if any).

### 8.3 Monitoring and reporting on grievances

Details of monitoring and reporting are described above. Day-to-day implementation of the GRM and reporting to the World Bank will be the responsibility of the PIU. To ensure management oversight of grievance handling, the Internal Audit Unit will be responsible for monitoring the overall process, including verification that agreed resolutions are actually implemented.

### 8.4 Central point of contact - PIU

The point of contact regarding the stakeholder engagement program:

Description	Contact details
Name	<a href="#">Aynura Rashidova</a>
Address	<a href="#">Nazim Hikmat 72</a>
Email	<a href="mailto:Aynura.rashidova@esp.az">Aynura.rashidova@esp.az</a>
Telephone	<a href="tel:+994125253449">+99412525 34 49 (IP3958)</a>

Information on the Project and future stakeholder engagement programs is available on the Project's website and is posted on information boards in the districts. Information can also be obtained from MLSP in Baku city. Six-monthly E&S reports that document the implementation of the Stakeholder Engagement Plan (SEP) will continue to be disclosed on the Project website and made available in the SES centers.

### 8.5 World Bank Grievance Redress System

Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms of the WB's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service (GRS), please visit

<https://projects.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service>. For information on how to submit complaints to the World Bank Inspection Panel, please visit [www.inspectionpanel.org](http://www.inspectionpanel.org).

## Annex 1. GRIEVANCE REDRESS MECHANISM (GRM)

### For PIU direct workers and contracted workers

*Grievance redress mechanism for direct workers and contracted workers developed based on WB ESS2: Labor and Working Conditions Grievances*

Law on Appeals of Citizens (September 30, 2015) contains legal provisions on established information channels for citizens to file their complaints, requests and grievances. Article 10 of the Law sets the timeframes for handling grievances, which is 15 working days from the date of receipt that do not require additional study and research, and maximum 30 working days for the appeals that need additional study.

#### **Section 1. Basic Terms and Definitions**

1.1 ESS 2 categorizes the workers into direct workers, contracted workers, community workers, and primary supply workers. Community workers will not be involved in the project.

1.2 **Thus, only three categories of workers are expected:**

**1.2.1. Direct workers.** The project is implemented by the Project Implementation Unit (PIU) under the MLSPP which was established for the management of the project on a daily basis and play a linkage role between MLSPP and WB. Direct workers were comprise a mix of government civil servants (Labor Ministry) and those deployed as 'technical consultants' – full and part-time by the PIU – under the project. The former will be governed by a set of civil services code, the latter by mutually agreed contracts. Ministry and PIU staff includes both workers based in Baku as well as in the regions to be covered by the Project.

**1.2.2. Contracted Workers.** Contracted workers were employed as deemed appropriate by contractors, sub-contractors, and other intermediaries. The project supports services, such as beneficiary assessment surveys, employer satisfaction survey, regular pieces of training to State Employment Service (SES) staff, the establishment of web-portal, among others, which shall be carried out by a team of professional companies. Thus, contracted workers are expected to be primarily employees of consultant teams providing technical assistance services. No civil works are expected under the project.

**1.2.3. Primary Suppliers.** The primary suppliers to SEP shall be companies that manufacture or import assets needed within the project to deliver to the project beneficiaries. The assets offered by the program will be considerably more diverse. An initial list of assets that the program can finance was established on the basis of the set of assets within SEP (mainly focusing on small manufacturing, food processing, and services).

#### **Section 2. Levels of GRM**

- 2.1. A grievance mechanism (GRM) will be provided for all direct workers and contracted workers to raise workplace concerns. Such workers will be informed of the grievance mechanism at the time of recruitment and the measures put in place to protect them against any reprisal for its use. To make the grievance mechanism easily accessible to all project workers the information about it will be given during the recruitment process.
- 2.2. Considering the fact that very limited number of people will be employed within the Project, a simple project specific GRM will be established for workers. This GRM is not same as the grievance mechanism to be established for project beneficiaries.
- 2.3. The project specific GRM for the workers is at two levels- one at the PIU level and the other in the Ministry level (MLSPP). It should be emphasized that this GRM **is not** an alternative/substitution to legal/judicial system for receiving and handling grievances. However, this is formed to mediate and seek appropriate solutions to labor related grievances, without escalating to higher stages. Having said that, all employees always have rights, according to Azerbaijan legislation, to access judicial/legal grievance management system.
- 2.3.1. **PIU level:** Social specialist is serving as Grievance Focal Point (GFP) to file the grievances and appeals. She is responsible to coordinate with relevant departments/organization and persons to facilitate addressing these grievances. If the issue cannot be resolved at the PIU level within 7 working days, then it will be escalated to the Ministry level.

**Contact info:**

**Aynura Rashidova** Social specialist at WB Employment Support Project  
Tel: +994 12 5253449 (3958) Mob: +994 70 355 92 62  
E-mail: [aynura.rashidova@esp.az](mailto:aynura.rashidova@esp.az)

- 2.3.2. **Ministry level:** If there is a situation in which there is no response from the PIU level, or if the response is not satisfactory then complainants and feedback providers have the option to contact the Focal Person in Employment Policy Department of the MLSPP directly to follow up on the issue.

**Contact info:**

**Rauf Aliyev** Deputy head of the Civil service and personnel affairs department of the Ministry of Labor and Social Protection  
Tel: (+994 12) 596 50 34 (2204) Mob: +994 051 496 19 69.  
E-mail: [rauf.k.aliyev@sosial.gov.az](mailto:rauf.k.aliyev@sosial.gov.az)

- 2.4. GRM is accessible to all employees through various means (written, telephone, fax, social media etc). Grievance logbook will be maintained in the PIU's office. It is PIU's policy to receive complaints and consider them as an opportunity to learn, adapt, improve and provide better service. The purpose of this policy is to ensure that PIU handle complaints efficiently and effectively. This policy applies to direct workers, contracted workers and primary suppliers.

The Project workers' grievance mechanism will not prevent workers to use judicial procedure.

- 2.5. Moreover, monitoring of work-related grievances will be carried out by the Human Resources Department of MLSP on quarterly basis. Assigned person from HR department will review received grievances and their resolution, and prepare a short summary to be included in the quarterly progress report to WB.
- 2.6. **World Bank Grievance Redress System** Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the WB's independent Inspection Panel which determines whether harm occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service (GRS), please visit

<http://www.worldbank.org/en/projectsoperations/products-and-services/grievance-redress-service>. For information on how to submit complaints to the World Bank Inspection Panel, please visit [www.inspectionpanel.org](http://www.inspectionpanel.org).

**Annex 2. Example Grievance Form**

<b>Grievance Form</b>			
Grievance reference number (to be completed by GRM Focal Point):			
Contact details (may be submitted anonymously)	Name (s):		
	Address:		
	Telephone:		
	Email:		
How would you prefer to be contacted (check one)	By mail/post: <input type="checkbox"/>	By phone: <input type="checkbox"/>	By email <input type="checkbox"/>
Preferred language	<input type="checkbox"/> Azerbaijani	<input type="checkbox"/> Russian	<input type="checkbox"/> other _____
Provide details of your grievance. Please describe the problem, who it happened to, when and where it happened, how many times, etc. Describe in as much detail as possible.			
What is your suggested resolution for the grievance, if you have one? Is there something you would like Employment services Center or another party/person to do to solve the problem?			
How have you submitted this form to the project?	Website <input type="checkbox"/>	email <input type="checkbox"/>	By hand <input type="checkbox"/>
	In person <input type="checkbox"/>	By telephone <input type="checkbox"/>	Other (specify) <input type="checkbox"/>
Who filled out this form (If not the person named above)?	Name and contact details:		
Signature			
Name of Focal Point person assigned responsibility			
Resolved or referred to GRC1?	<input type="checkbox"/> Resolved	<input type="checkbox"/> Referred	If referred, date:
Resolved referred to GRC2?	<input type="checkbox"/> Resolved	<input type="checkbox"/> Referred	If referred, date:
<b>Completion</b>			
Final resolution (briefly describe)			

	Short description	Accepted? (Y/N)	Acknowledgement signature
1 <sup>st</sup> proposed solution			
2 <sup>nd</sup> proposed solution			
3 <sup>rd</sup> proposed solution			