



### **Final Country Report**

Azerbaijan

April 2012

**Authors: Azer Allahveranov** 

Rasmiyya Aliyeva

**Turkhan Sadigov** 

### **CONTENTS**

1. INTRODUCTION	3
2. main emigration and internal migration trends and patterns	
2.1. Main emigration trends	
2.2. Main internal migration trends	
2.3. Main characteristics of migrants	
3. NATION-WIDE LABOUR MARKET AND SOCIAL DEVELOPMENT TRENDS UNDER THE INFLUENCE OF EMIGRATION	
3.1. Economic and labour market developments	
3.2. Social Security	
3.3. Poverty and Social Exclusion	
4. NET MIGRATION LOSS AND GAIN REGIONS: LABOUR MARKET AND SOCIAL	17
DEVELOPMENT TRENDSD GAIN REGIONS. LABOUR MARKET AND SOCIAL	18
4.1. Identification of the net loss and gain regions	
4.2. Labour market developments in net migration loss and gain regions	
4.3. Poverty and social exclusion in net migration loss and gain regions	
5. IMPACT OF MIGRATION ON VULNERABLE GROUPS	
5.1. Women	
5.2. Children	
5.3. Elderly	
5.4. Post-conflict Refugees and IDPs	
5.5. Roma	
5.6. Other ethnic and religious vulnerable communities	
6. POLICY RESPONSEs	
6.1. Encouragement of circular migration	
6.2. Encouragement of return migration and the support of integration of returnees	
6.3. Reintegration of IDPs and refugees	
6.4. Development of net migration loss/gain regions	
6.5. Support to vulnerable groups related to migration	
7. Key challenges AND POLICY SUGGESTIONS	
7.1. Key challenges of the social impact of emigration and internal migration	
7.2. Policies to be taken by different actors	
References	
Annex: Maps, Tables and Figures	

### 1. INTRODUCTION

Azerbaijan is a country in the Southern Caucasus, at the crossroads of Europe and Southwest Asia. It has frontiers with Russia in the north, Georgia in the northwest, Armenia in the west and Iran in the south. The total number of the overall population as of 1<sup>st</sup> of January 2011 is 9.1 million. According to the population census 2009 the share of ethnic Azerbaijanians has been increased from 82.7% in 1989 to 91.6% in 2009. Lezgi are the second largest ethnic group (2%), while Russians are in the third largest group (1.3%) along with Armenians and tallish; however, their share dropped by 4,3 percentage points comparing to the census of 1989.

Azerbaijan regained its independence after the collapse of the Soviet Union in 1991. Azerbaijan is a presidential republic. The Cabinet of Ministers represents the executive branch of the government, and the Milli Majlic (i.e. Parliament) – legislative one.

The conflict with Armenia in and around the Nagorno-Karabakh region which started already in 1988 and escalated after both countries attained independence from the Soviet Union in 1991, considerably contributed to the economic instability of the country. By May 1994, when a cease-fire took hold, Armenian forces occupied not only Nagorno-Karabakh but also seven surrounding provinces in the territory of Azerbaijan (see Map #1). Four UN Security Council Resolutions have been passed during the Nagorno-Karabakh war on withdrawal of occupying forces from those territories, but have not been implemented. The government estimates that there remain 1 million naturalised refugees and internally displaced persons in Azerbaijan, the majority of whom were displaced during the early 1990s.

Besides the Nagorno-Karabakh conflict, economic issues are the cornerstone of migration processes that take place in the country. Economic developments of Azerbaijan since 1990 can be divided into three stages. The first stage covers the period from independence in 1991 until 1995. Following the break-up of the Soviet Union in 1991, Azerbaijan's economy suffered from serious problems including the collapse of the country's industrial sector which led to massive lay-offs and an increase of unemployment and poverty rates. Real gross domestic product (GDP) declined by 60% between 1991 and 1995, and high inflation had eroded real incomes, the exchange rate had weakened, and monetary reserves were nearly depleted. This sudden economic decline had a disastrous effect on the people's living standards. Per capita GDP declined from US\$ 5,841 in 1988 to US \$1,770 in 1999, the inflation rate rose as high as 1,66% in 1994, and from 1988-1998 food prices multiplied as much as 28,750 times. Economic recovery started only after 1996, mostly driven by investment from abroad in the oil, construction, and communications industries (SSC, 2001, own calculations).

The second stage covers the period between 1995 and 2005. Already in late 1994, Production Sharing Agreements (PSAs) were signed with foreign oil companies under which these companies agreed (i) to help develop oil and gas deposits in the Caspian Sea, and (ii) to construct the Baku-Tbilisi-Ceyhan (BTC) pipeline and the South Caucasus Gas pipeline, to transport oil and gas to Turkey through Georgia. In order to safeguard prospective oil revenues, the State Oil Fund of Azerbaijan was created in December 1999. Following a significant increase of Foreign Direct Investment (FDI) from 2001 (USD 927 million) to 2005 (USD 4.893 billion), oil production started in 2006, while gas production started in 2008. The PSAs were the cornerstones of Azerbaijan's forthcoming development as they generated a significant amount of FDI in the country, raised demand in the economy, and generated confidence for future investments. Its purpose was to perform both stabilization and savings functions. Starting with 2002 the country experienced a two-digit GDP growth reaching 26.4% in 2005. Poverty in these years continuously decreased from 49% in 2001 to 29.3% in 2005 (EC, 2011a, p. 19, 85).

In 2006, the year which marks the beginning of the third stage, as new oil flowed into the BTC pipeline, Azerbaijan entered a new chapter in its development. Higher oil revenues led to further increase of GDP reaching its peak in 2007. However, GDP growth did not translate in increasing employment; the industry sector being the main driver of growth only accounted

for 12% of total employment in 2007 whereas the less productive agricultural sector accounted for more than 38%. Employment rates for the age group 15+ have been on a declining trend since 2001 and remain modest with around 59.1% in 2009 (EC, 2011b, p. 32).

Higher oil revenues allowed the government to embark on a large scale infrastructure modernization program aimed at improving the environment for non-oil sector development and the quality of social services. The reform efforts before 2006, and the ambitious modernization programs since then, have had a significant impact on poverty reduction. According to the State Statistical Committee (SSC), the poverty rate<sup>1</sup> declined to about 9.1% in 2010 (compared to 20.8% in 2006). However, poverty is still widespread among specific groups of the population, e.g. among the IDPs which still amounts to 600,000 persons (6.5% of population).

The global crisis has not hit Azerbaijan as severely as other countries in Europe and Central Asia. However, declining oil prices led to a decrease in economic growth and GDP - though remaining positive - grew only by 9.3% in 2009 and 5% in 2010 and is expected to decrease further (EBRD, 2011).

Azerbaijan is characterized by a high ratio of young people in the total population and moderate population growth. The rate of the natural increase of the population dropped from 19.8 per 1000 population in 1999 to 11.3 in 2009. The main reason behind this trend is the change of fertility rate which in comparison to other CIS countries is still rather high with 2.3 children per woman of fertile age (2.1 in urban, and 2.6 in rural areas) in 2009 (SSC, 2010a).

Life expectancy at birth in the country has slightly decreased during the period of economic decline (from 71.1 in 1990 to 69.1 in 1995) but then increased to 73,5 in 2009. Life expectancy gap between men and women decreased from 7.8 years in 1990 to 5.2 years in 2009 (SSC, 2010a).

Taking into account the increasing life expectancy and decreasing fertility rate, ageing is becoming a challenge for the country. The number of people in pre-pension and pension age, i.e. people above 50, has increased during last 20 years by 13%<sup>2</sup> and projections for 2030 foresee an increase of old age dependency ratio from 9.6 to 19.2 (Vienna Institute of Demography, 2010).

## 2. MAIN EMIGRATION AND INTERNAL MIGRATION TRENDS AND PATTERNS

#### 2.1. Main emigration trends

Having experienced transformation and the ethnic conflict within the last twenty years, the Republic of Azerbaijan faced migration on a large scale. Hundreds of thousands of people immigrated to Azerbaijan and moved abroad, causing immense changes in the demographic situation of the country in the short term. At the beginning of the 1990s the economic crisis and political instability, caused by the collapse of the Soviet Union and exacerbated in the case of Azerbaijan by the war with Armenia, resulted in the decision of many people to emigrate from Azerbaijan. Along with the difficulties related to the economic transition, this emigration was particularly caused by the grave economic consequences of the Nagorno-Karabakh conflict with Armenia leading to the emergence of about one million refugees and

<sup>&</sup>lt;sup>1</sup> The current official poverty line is based on the Minimum Subsistence Level which includes the monetary equivalent of a minimum food consumption basket (2,258 kcal per capita per day). The food share amounts to 70% of the consumption basket. It is separately estimated for three different population groups: the working age population, pensioners and children - (0-15 years) – in accordance to the Law on the Minimum Subsistence Level, dated on 5.10.2004, annually estimated and approved along with Budget Package

<sup>&</sup>lt;sup>2</sup> Population in working age: till 1999 - men 16-59 years old, woman 16-54; 1999-2000 - men 16-60 years old, woman 16-55; since 2001 - men 16-61 years old, woman 16-56. In October of 2009, the parliament adopted a new amendment to the Law on labour pensions, stipulating an increase of retirement age for men incrementally to 63 years by 2012, and that of women from 57 to 60 years by 2016.

IDPs. However, from mid-1990s the migration tended to be determined more by economic factors. The start of oil exploration and subsequent economic boom in the country reversed the negative tide of migration. The country started to attract people from abroad rather than serve mainly as a country of people outflow.

The availability and reliability of emigration data for Azerbaijan is rather limited and it is assumed that official data issued by the State Statistics Committee of Azerbaijan highly underestimate the real outflows from the country. These data are based on the figures of registration for permanent residency and therefore don't include those persons who temporarily emigrate without abandoning their permanent residence in Azerbaijan.<sup>3</sup>

Out of the EU member states, according to EUROSTAT, Germany is the main receiving country with 15,509 Azerbaijani citizens residing in Germany in 2010 (Eurostat, 2011). There are some indications that a considerable share of emigrants is irregular. According to EUROSTAT, only in the EU in 2010 the member states' authorities detected more than 800 Azeri citizens to be illegally present in their countries. It is to be noted that this figure only includes those persons who came to the attention of the national immigration authorities and therefore is not intended to measure the total number of irregular migrants in the country. According to World Bank figures, there were 1,432,600 Azerbaijani citizens who lived outside of Azerbaijan in 2010. It was an equivalent to 16% of the entire country's population. Main destination country is Russia with about 60% of Azerbaijani emigrants, followed by Ukraine, Kazakhstan, Israel, Germany and Turkey (World Bank, 2011b). Other sources such as the SSC of the Republic of Azerbaijan confirm the leading position of Russia as main destination country. However, if one looks to the international migration database of the OECD, Turkey seems to become an increasingly important destination country for the Azerbaijani migrants. According to the flow data of these statistics, which are based on residence permits, 115,000 Azerbaijani went to Turkey between 2000-2009 and received a residence permit for the duration of residence longer than one month. It must be noted that inflows from Azerbaijan to Turkey considerably increased during the second half of the 2000s 4.

While the OECD data is more reliable than SSC figures, it however tends to overestimate the number of the Azerbaijani emigrants. OECD figures are based on the application for residence permit by an Azerbaijani citizen which is usually made several times during a stay.<sup>5</sup>. As a result, every labour migrant might be mentioned more than once in the OECD data – depending on the number of repeated visa applications. However, apart from SSC and OECD data, there are no alternative sources of emigration information (official and non-official) that we can rely on to assess the exact scales of the outflow of people from Azerbaijan.

The evolution of the migration processes during Azerbaijan's independence period (1991-present) can be conditionally divided into 3 stages: the first stage spans 1990-1995. The first phase of migration can be characterized as a period of forced migration which basically had an ethnic pattern, due to the Nagorno-Karabakh conflict (which affected the migration of Armenians and Azerbaijanis). The collapse of the Soviet Union and ensuing economic hardships in these years also triggered the emigration of Russians, Jews and other ethnic minority groups from Azerbaijan. For the afore-mentioned reasons, the first phase of the migration in the independence period was characterized by permanent character of migration.

As the longest running conflict in the South Caucasus, the Nagorno-Karabakh conflict has produced the largest number of refugees and IDPs in the region. The conflict, instigated by

<sup>4</sup> According to OECD in 2000 there was an inflow of 10,564 Azerbaijani citizens to Turkey compared to 17,123 in 2009, see OECD International Migration Database <a href="http://stats.oecd.org/Index.aspx?lang=en">http://stats.oecd.org/Index.aspx?lang=en</a> (accessed on 25 August 2011).

<sup>&</sup>lt;sup>3</sup> Information on the method of emigrant and immigrant registration was given by the head of the Department of Demography and Social Statistics of the SSC of the Republic of Azerbaijan, Mr. Agadadash Mamedov.

<sup>&</sup>lt;sup>5</sup> Some of the former Azerbaijani labour migrants, who worked in Germany, Russia and Turkey, and later returned to Azerbaijan, told us during a meeting conducted by the author Mr Azer Allahveranov on 24 September 2011 in Baku, that they applied for the residence permit to the Ministry of Foreign Affairs in Turkey once every 3 months. Thus they applied for legal residence permit 4 times a year.

Armenian separatist groups, led to the deportation of Azerbaijanis from Armenia. In response to this, the Armenians residing in Azerbaijan were forced out from Azerbaijan - mainly to Armenia and Russia. In late 1987 and early 1988 the first forced population movements occurred as Azerbaijanis fled communal violence in Kafan and Megri in Armenia (De Waal, 2003, pp. 18-19). The conflict quickly spiraled and by early 1991 the entire Azerbaijani community of Armenia (estimated to be more than 200,000 people), and most of the Armenians living in Azerbaijan, some 330,000 people, fled violence from Armenia and Azerbaijan respectively (Yunusov A., Bagdasarian L., 2005, p. 53). The Karabakh war on the one hand and the collapse of the Soviet Union on the other had a direct impact on intensification of migration processes and the manifestation of ethnic changes. Also, the Nagorno-Karabakh conflict had a direct effect on internal migration flows in the country, which is discussed in detail in Section 2.2.

Apart from this, the breakup of the Soviet Union triggered a significant outflow of Russians and Russian speaking population to Russia and other CIS countries such as Ukraine and Belarus. According to the official statistical data, 342,300 persons emigrated from Azerbaijan in 1990-1994. The outflow of Russian-speaking citizens has been triggered by the growing unpopularity of Russia in the immediate post-independence years. The main contributing factor to the antipathy toward Russians was Moscow's anti-Azerbaijani position in foreign political issues (especially, Russia's close alliance with Armenia). On the other hand the acquisition of independence resulted in the change of the official language from the Russian to the Azerbaijani. In this situation many native speakers of Russian, unable to adjust themselves to the new circumstances, had to leave Azerbaijan in search of better opportunities.<sup>6</sup>

If we scrutinize the figures provided in table 2.2 we will see that the main flow of emigration fall into the first half of the 1990s. Further, from 1990-1995 the number of immigrants to Azerbaijan was 217,400 people and the number of emigrants amounted to 358,300 people. In 1996-2000 Azerbaijan received 27,900 people as immigrants, while approximately 58,400 people emigrated from the country. Russia became the main destination country for Azerbaijani labour migration.

The second phase of migration, spanning 1996-2000 is primarily shaped by economic factors. Unemployment and low wages were those factors that led to the emergence of a large number of Azerbaijani migrants who went to the neighbouring countries to engage in employment. Thus, emigration on ethnic grounds had been replaced by emigration for economic purposes. For example, if in 1997-1999 the number of Russians moving from Azerbaijan to Russia was 16,172, at the same period the number of Azerbaijanis migrating to Russia reached approximately 35,000 persons (Table 2.1). However, as already outlined above, official migration figures seem to be highly underestimating the real outflow of Azerbaijanis to foreign countries and there are indications that with the rise in labour migration after 1996, irregular migration increased as well. Therefore, the migration in this second period was of temporary nature.

This is also obvious when we look at the third phase of migration covering the time period from 2001 to present. Official data suggest a relative stability in the sphere of migration and a positive migration balance as of 2008. However, if we compare the official data with those from receiving countries, it becomes obvious that the Azerbaijani official figures do only reflect part of the real outflows. According to OECD international migration database, the inflow of population from Azerbaijan to OECD countries (i.e. excluding Russia) amounts to more than 150,000 persons from 2000-2009. As noted above, these flow data are predominantly based on residence permits issued by the receiving countries.

-

<sup>&</sup>lt;sup>6</sup> According to a survey conducted by Russian researcher V. Tishkov in 1994-1995, Russian-speaking population left Azerbaijan mainly because of financial difficulties, the lack of prospects for their children. Among other factors, the most prominent are: the concern for personal security, insufficient knowledge of the Azerbaijani language, the declining social status of Russian-speaking population, a sense of isolation resulting from severing of ties with family and friends residing in Russia (Tishkov, 1996, p. 42).

Another interesting issue is that within 2000-2009 the number of immigrants who came to Azerbaijan for permanent residence (excluding CIS and Baltic countries) reached 926 persons (See: Table 2.6). These people include emigrants from Azerbaijan who moved to Western Europe at the beginning of the 1990s, acquired a residence permit there, but were unable to get used to local environment (or due to various other reasons) abandoned these countries and returned to Azerbaijan. Beyond all doubts, the increase in macro-economical indicators of Azerbaijan (See: Table 2.7) increased the number of Azerbaijanis and non-ethnic Azerbaijanis who returned home. <sup>7</sup>

At the same time, since 2001 due to increasing economic indicators and the country's participation in major regional projects (BTC, TRASECA, NABUCCO etc.) Azerbaijan was gradually becoming an attractive destination for migrants from abroad. Thus, by the conclusion of the head of the migration sector at the Ministry of Labour and Social Protection of the Republic of Azerbaijan, Mr. Fuad Jabbarov, "from year to year the number of labor migrants in Azerbaijan raise and the reason for this trend is the realization of large-scale economic projects" (Najafov, 2011). Arzu Rahimov, the chairman of the State Migration Service of the State, also echoed this statement. He specially stressed that political and economic development of Azerbaijan makes the country attractive to migrants, whose numbers are increasing (Farhadoglu, 2011). As a result, the third phase of migration during Azerbaijan's independence is of a mixed nature, combining temporary and circular types.

It is not possible to evaluate the effects of EU policies on migration from Azerbaijan. However, interviews with returned Azerbaijanis can be used to exemplify such effects. Former labour migrants<sup>8</sup> who worked in Germany from 1997-2001 claimed that the tightening of regulations led to the loss of jobs by the respondents due to the termination of employment contracts signed with them by the employers, who "did not want to have problems with the tax police and other executive agencies." After they lost their jobs, they migrated in March 2001 to Denmark, where they also faced tightening immigration laws regarding residence permits. After some time, the respondents left the territory of the European Union and currently reside in Azerbaijan.

On 16 November 2006 the Russian prime minister, Mikhail Fradkov, as an addition to the Russian law "On the status of foreigners in the Russian Federation", also signed the order "On the permissible percentage of foreign workers in the retail trade", according to which foreign citizens were not permitted to be involved in trade activities on the territory of the country. The enforcement of this regulation since 2007 had a negative impact on migrant workers primarily from Azerbaijan, mainly involved in trade. Many of them became jobless after the enforcement of new rules (Aliyev, Manafli, 2007).

#### 2.2. Main internal migration trends

Internal migration is manifested mainly in two ways. The first is related to internally displaced persons (IDPs), who emerged in the result of the Karabakh war. The second tendency is expressed in internal migration. The internal migrants mostly move to the major cities of the country with the purpose of employment, thus, making urbanization salient.

The socio-economic migration occurred mostly due to deteriorating life conditions in the provinces of the country. Destroyed infrastructure, closed plants, and low level of incomes forced people to migrate from rural to urban areas in pursuit of better employment opportunities. The main direction of socio-economic migration within Azerbaijan was the flow of people from regions to the capital, Baku, where the most migrants could find temporary employment. The lack of comprehensive information and research prevents drawing the

<sup>8</sup> The meeting with 4 former labour migrants was conducted on 24 September 2001, in Baku city. It was devoted to the study and about their labour experience there.

Final Country Report Azerbaijan 7

<sup>&</sup>lt;sup>7</sup> It is important to mention here that, the number of people who returned to Azerbaijan in following years was higher. From the conversation with people who returned home in 2007-2009 some of them said that they felt sort of discomfort in the country of destination (this was the case in relations with local inhabitants and work colleagues) or due to health problems.

complete picture. Precise data regarding the number of migrants is currently unavailable since the majority of internal migrants remain formally registered in their settlements of origin. In addition, the situation with statistical data gets complicated due to a previously high level of migration from regions to Russia, because it is not clear which percentage of people from regions moved to Baku and which part of migrants moved to Russia. Even the existing official population census data doesn't give grounds for assumptions, since it also provides the number of officially registered people and therefore does not portray the real picture.

Regarding internal displacement, we may stress that starting from late 1991-early 1992, as the Soviet Union collapsed leaving a huge power vacuum behind, the conflict over Karabakh escalated into a full-scale war between Armenia and Azerbaijan. Displacement became predominantly internal, with both Armenian and Azerbaijani forces employing ethnic cleansing in order to secure control over the territory. By mid-1992, a series of ethnic Armenian attacks drove out the entire Azerbaijani population of Nagorno-Karabakh, around 40,000 people. The trend was followed by a displacement of a further 47,000 people, who fled adjacent Lachin district, populated overwhelmingly by the Azerbaijanis and located between Nagorno-Karabakh and Armenia. About 30,000 Armenians were similarly displaced within Nagorno-Karabakh and fled from the predominantly Armenian-populated Shaumian district (presently, part of the Goranboy district), bordering Nagorno-Karabakh in the north (International Crisis Group, 2005, p. 5). The last and the largest forced displacement occurred in 1993, at the height of the conflict. By the end of 1993, when Armenian advances into Azerbaijani territory were at their height, some 780,000 Azeris were internally displaced (Yunusov A., Bagdasarian, L. 2005, p. 53). As a result of these events, more than 600,000 ethnic Azeris were expelled from Nagorny Karabakh and its neighbouring regions, and 600,000 forced migrants joined the ranks of the 200,000 refugees from Armenia (Allahveranov, 2002, p. 199).

On the other hand, the regions in the territory bordering Armenia were also affected by high out-migration too. People living along the borders with Armenia, in the villages of Qazakh, Agstafa, Tovuz, Gedebey regions of Azerbaijan, Sadarak, and Ordubad regions of Nakhchivan Autonomous Republic also became IDP's. The Azerbaijani lands situated near the border with Armenia and bordering areas occupied by the Armenian forces comprise about 7-8% of the country's territory. According to the information of the Permanent Commission of the Milli Mejlis (Parliament) of the Republic of Azerbaijan, today, more than 100,000 Azeri people from villages bordering Armenian territory left their homes and live in hard conditions (ADPRA, 2005, p.2). People from these dangerous areas moved to neighbouring villages and districts, but did not receive the status of IDPs.

Internal migration of the second type is dominated by urbanization processes, which in contrast to IDP displacement does not have such a large scale. As it was mentioned in subchapter 2.1, after the war collapse of the Soviet Union and ensuing economic havoc, hundreds of thousands of people left their homes and migrated to Russia and other foreign countries in a pursuit of better job opportunities. Beginning from 2001, the flow of migrants from rural areas turned primarily to Baku. The social-economic development of the country, the launch of different international projects, and the development of small and medium entrepreneurship created new jobs that attracted internal migrants from rural areas. In other words, the flow of migrants from rural areas to Russia gradually transformed into internal migration from the provinces to the capital, Baku. If to identify the main periods of internal migration, it is clear that forced migration (flow of IDPs and refugees from Karabakh and Armenia) occurred in the first period of migration (1990-1995). Beginning from 1995 till 2001, the emigration to foreign countries dominated the whole picture of migration processes in Azerbaijan. However, beginning from 2001 till present, the picture gradually changed and people from regions started to move mostly to Baku.

According to the 2009 census results, the urban population of the country constitutes 54.2% and rural population comprises 45.8% (SSC): These figures are based on the registration

-

<sup>&</sup>lt;sup>9</sup> The numbers are derived from the 1989 Soviet population census. The present-day population of Lachin is over 70,000.

records data of the Passport Registration Department of the Ministry of Internal Affairs on permanent residence. A closer look on the share of urban and rural population during the last two decades shows that the share of urban population has been declining from 1990 (53.9%) to 1999 (51.1%). Beginning from 1999, the share of urban population increased continuously until 2009 (see table 2.8). This development has to be analyzed in the context of the agrarian reforms starting in 1996 (Agro-Meslehet, 2003)<sup>10</sup>. As a result of the reforms, a considerable share of the population acquired land and decided to move to rural areas. However, given the small size of the acquired lands and the lack of the investments into agricultural sector, many families were mainly involved in subsistence farming and could not earn a decent living from agriculture. Such a situation promoted the idea of return to urban areas in the search for other employment opportunities. People, who mainly had agricultural skills, were forced to be satisfied with the employment mostly in low-paid jobs in the major urban centres.

The ongoing urbanization process in Azerbaijan is particularly characterized by inflow of rural population mainly to Baku and other big cities (Ganja, Sumagit). In order to reduce the urbanization process towards Baku, the government of Azerbaijan applied certain steps in the 1990s. Thus, according to the decree issued by the Baku municipality in 1990, only people registered in Baku could sell and purchase houses and apartments in the capital of the country. The Baku municipality argued its decision by social-economic conditions, accommodation problems and the high level of migration. The capital of the country became a closed city. However, the Constitutional Court of the Republic of Azerbaijan abolished mentioned provisions on 16 February, 2000. This amendment reinforced the inflow of population from the regions to Baku.

Along with Baku, the trend of urbanization was also directed to Ganja. Due to several socio-economic reforms in Ganja, the rural population residing mostly in Ganjabasar zone<sup>11</sup> started to move to Ganja city. However, this process in fact didn't have any demographic impact on Ganja's nearby regions. The reason for this is that people moving to Ganja from nearby regions didn't settle in this town. They frequently travelled to their home towns, at least once per week. It can be explained by the fact that Ganja experienced similar problems with utilities (gas, power, water, etc.) as the immediate rural and small urban areas near the city. Therefore migrants didn't want to reside in Ganja permanently and preferred just to work in Ganja on a permanent or temporary basis. Some residents of the neighbouring areas preferred to daily commute to Ganja.

But in the case of Baku, internal migrants from rural areas purchased property and preferred to stay in the city on a permanent basis which made Baku's case different from that of Ganja's. Due to the lack of official statistics on internal migration, as it was already mentioned in chapter 2.1, it is hard to evaluate and analyze the phenomena of urbanization in Azerbaijan. However, as our interviews with different NGO's working on migration issues demonstrated, the process of urbanization has been developing very rapidly. This rush character of urbanization and the growing number of internal migrants from rural areas to Baku limited housing opportunities in residence quarters of the city. As a result, people from rural areas began settling in villages and settlements around Baku. People preferred to live in suburbs and work in the central urban quarter of Baku. This led to the increase of house construction in the villages and settlements in the immediate vicinity of Baku. The capital city grew from city into metropolitan area. Due to a large number of apartment construction, such settlements as Khirdalan, Bilajari, Sulutepe, Badamdar, Binagadi, Ahmadli merged with the metropolitan area of Baku proper.

One of the factors contributing to this process was the increase in the number of high-income groups of population. In the 1990s, the high-income groups of population preferred to reside in the central part of Baku. However, beginning from 2000, these population groups started the construction of large houses and villas outside of Baku, in suburban areas. This also led

Gancabasar is an eastern region of Azerbaijan, with a conditional center in the city of Ganja (the second largest city of Azerbaijan). The region covers nine north-eastern districts of the country.

<sup>&</sup>lt;sup>10</sup> 16 July, 1996, the Azerbaijani government for the first time since independence adopted the "Law on Land Reform", which was the beginning for the implementation of agricultural policy reform.

to the expansion of Baku's geographical borders. In other words, the urbanization led to the creation of the first metropolitan area in Azerbaijan.

Along with urbanization and sub-urbanization, there is also a process of de-urbanization, taking place in Azerbaijan. De-urbanization covers very small part of the population and is incomparable in size to urbanization processes. De-urbanization occurs mostly due to the demand for high-skilled workers in the regions. The migrants heading from Baku to regions and other cities are mainly highly educated specialists. In 2009-2010, about 9,000 people were hired by three major companies (Automobile Plant in Ganja, Automobile Plant "AZSAMAND" in Shemakha, and computer factory "KURA" in Mingechaur). During the discussions with the representatives of these companies, it was found that 80% of the staff are specialists from Baku. It was also found out that in some parts of the country it is planned to open a number of large enterprises, which will also involve specialists from Baku. Of course, this will undoubtedly affect the change in the labour market, but not in a huge scale. 12

#### 2.3. Main characteristics of migrants

Due to the lack of information and statistical data, it is only possible to provide limited information on the social demographic profile of emigrants and internal migrants. The SSC of Azerbaijan provides some information on the gender, age characteristics, and the origin (rural/urban) of migrants. However, as it was mentioned earlier, these figures provide information only about people who emigrated to another country for permanent residence. Out of the 1373 persons who officially emigrated from Azerbaijan for permanent residence to other countries in 2009, 55% were women. This proportion is slightly higher compared to the total population (51% female and 49% male population in 2009). The majority of emigrants (82%) belongs to the age groups of 25-29 and 30-34, and they are originally from urban areas (57%) (See: Table 2.10).

The review of immigration statistics of receiving countries shows that the profile of migrants in terms of gender looks slightly different. For example, according to EUROSTAT data, in Germany, the share of male immigrants from Azerbaijan ranged from 56% in 2003 to 62% in 2006. The ADB Country Report on Remittances of International Migrants and Poverty in Azerbaijan (2008) also reveals "a higher share of male migrant household members (86%) and a much higher share of male remittance sending migrants (95.5%)"13. This difference to the above mentioned official figures might be an indication of the high relevance of temporary labour migration among the male population.

The ADB Country report also gives interesting information on the age and education levels of the Azerbaijani emigrants. According to ADB Country report, the socio-demographic characteristics of various age groups show that the highest share for emigrant household members is observed in the age groups 25-34 and 35-44. The Azerbaijani emigrants surveyed by ADB are educated (the majority has secondary (71.9%) and tertiary education (26.1%). Regarding the marital status of the emigrants, the survey showed that most (58.1%) of emigrants were married (ADB, 2008, p. 27).

Today, the emigrants from Azerbaijan are employed in different industry sectors in Russia, Ukraine, Turkey, Germany, and other countries. Azerbaijani emigrants are generally engaged abroad in self-employment, including small trade (59.8%) and private sector (20.1%) (ADB, 2008, p. 28). From the ADB report, it is also clear that the majority of Azeri emigrants worked in agriculture (54.1%), wholesale, and retail sectors (16.2%) back in Azerbaijan. While living abroad, these emigrants are working mostly in wholesale/ retail

<sup>&</sup>lt;sup>12</sup> The non-official meetings with the representatives of Ganja Automobile Plant and Computer Factory "KURA" in Mingechaur were conducted in August 2010, with the representative of Automobile Plant "AZSAMAND" in Shemakha in July 2011. All three meetings were prepared and conducted by A. Allahveranov.

<sup>&</sup>lt;sup>13</sup> This report is based on a survey which was conducted by the Centre for Local Economic Development on behalf of the Asian Development Bank in 2007. The sample included 3900 households and covered Baku, other urban areas and rural areas.

(65.9%) and in construction (15.8%). It confirms that the sector of migrants' employment abroad differs from the ones in their home country (ADB, 2008, p. 29).

Regarding the profile of internal migrants, moving from rural areas to Baku, it is hard to give any figures. As it was noted in subchapters 2.1 and 2.2, the government statistics don't reflect the situation. However, the interviews with NGO representatives demonstrated that a significant portion of internal migrants were single or married males (around 30% of internal migrants) who moved to Baku in a pursuit of better employment opportunities<sup>14</sup>. Another big share of internal migrants is comprised of families (male, female, and children) who purchased property and settled in Baku and its suburban areas. The absence of studies and statistics on gender, education, and age indicators of internal migrants does not enable to draw in-depth conclusions on the profile of internal migrants.

Referring to returnees, according to the IOM report, the majority of people who returned home are Baku residents and representatives of IDP families (IOM, 2001b, pages 28-30). Among many reasons they specified as a cause to return home, the main reason was Azerbaijan's economic growth. Their majority was living abroad on illegal terms and was engaged in illegal labour activity. Shelter denial, low income in countries of destination, aggravation of health, nostalgia for the homeland, illegal status of labour activity, fear of local criminal groups in countries of destination, lack of confidence in local police are the main reasons to return home. The number of Azerbaijani migrants who returned home also increased due to the financial crisis and its implications in construction and production fields, closure of jobs, tightening of European migration legislation, agreement between Azerbaijan and the EU on readmission, Azerbaijan's economic growth, numerous job openings, and the expansion of production sector and growth in macro-economic indicators in country's regions.

The internal and international migration processes certainly involve ethnic communities living in Azerbaijan. As part of the Azerbaijani migrants, Talysh and Lezgins are actively involved in internal and external migration processes. There are no concrete data on the number of migrants in this category. It is widely known that there are some spheres of trade which are controlled by Talysh communities (for example, sales of subtropical fruits, agricultural vegetables) in the main cities of the Russian Federation. Lezgins, representing the northern region of Azerbaijan, are involved in the close trade relations with the residents of the Republic of Dagestan (Russian Federation). According to the information provided by former labour migrants, Talishs are controlling the trade in Vikhino, Prajskaya, Lyublino, and Preobrajenskaya markets in Moscow and fruit-vegetable division in the central markets in Saint-Petersburg. In Baku, Talysh communities are also actively involved in the subtropical fruits trade, while Lezgins are involved mostly in service, construction and industry sectors.

# 3. NATION-WIDE LABOUR MARKET AND SOCIAL DEVELOPMENT TRENDS UNDER THE INFLUENCE OF EMIGRATION

#### 3.1. Economic and labour market developments

Throughout its history, Azerbaijan was a country with abundant labour resources. However, the native population of Azerbaijan has traditionally preferred to stay in the country due to extraordinary affection to native land. For this reason, the population reacted with restraint to better economic opportunities that the emigration opened. As a result, the domestic labour market could not absorb the fast pace of the country's population growth and unofficial studies pointed to the number of unemployed no less than 300,000 in Soviet times (UNESCO, 1997, p. 10).

<sup>15</sup> The meeting with 4 former labour migrants from Germany was conducted on 24 September 2001, in Baku city. It was devoted to the study of their labour experience there.

<sup>&</sup>lt;sup>14</sup> The conversations with different NGO representatives working in the migration area were conducted June-July, 2011.

The surplus of population in our times, however, can potentially lead to greater rates of emigration. High fertility rates in the past decades led to a drastic rise in the share of young people in the structure of the population. As a result, working age population (aged from 15 to 64) grew in number. While in 2000 it amounted to 4.53 million, in 2010 it increased by 30% and reached 5.88 million people. Thanks to the demographic rise of the previous decades, the population growth trend will continue into the future. Specifically, working age population number will rise to 6.55 million by 2015 (World Bank 2009). This population growth will stimulate competition for employment and increase number of labour migrants looking for better job opportunities. It is obvious that migration of the population of active working and productive age significantly decreases demographic and working force potentials of Azerbaijan.

In Azerbaijan, the sectors that generate much of the GDP and growth are not the same ones that generate employment. According to the Labour Force Survey (LFS)<sup>16</sup> about 40% of employed people in 2010, as well as in preceding years are engaged in agriculture (See: Table 3.2). High employment rates do not imply higher income security. Rural employment is slightly higher than urban due to the opportunities for agricultural self-employment promoted by land reform. However, the opportunities to develop agricultural assets are limited, and this self-employment is more of a survival/coping strategy rather than income generation. As a consequence, most of these "employed" are engaged in subsistence agriculture with low earnings not allowing a decent standard of living which forces them to seek employment in Baku or other urban areas.<sup>17</sup>

Some facts point to the rural regions as the main suppliers of the Azerbaijani emigration. First and foremost, it is the profile of the migrants, who as mentioned earlier are low skill people with small social capital and little chances of employment at home. On the other hand, according to IFAD report, in Azerbaijan more than 60% of foreign remittances go to rural areas (FAO, IFAD, 2008, p. 22). Thus, it is safe to say that migration is fed mainly by rural regions.

By the end of 2010, around two thirds of the registered unemployed in Azerbaijan were longterm unemployed. High levels of long-term unemployment (defined as unemployment spells longer than 12 months) are particularly detrimental from a social perspective, since the concerned individuals and their families are particularly threatened by poverty and social exclusion (SSC, 2010c). Many of these jobless have no qualifications, and/or possess a low level of education which does not meet requirements of the labour market in the country. Albeit the situation has been changed during last decade - share of registered unemployed with tertiary education has been increasing from 27% in 2000 to 43% in 2010, especially for men from 32% to 50% respectively (SSC, 2010c). De facto, a significant portion of the longterm unemployed, if not working informally, have completely lost touch with the labour market. Moreover, employers highly value recent work experience when recruiting workforce, and individuals with a long break in their work history, or without any work experience, have little chances of being recruited in the current labour market situation. This is especially true for rural population migrating to cities. Isa Aliyev argues that "approximately 28 percent of respondents [rural emigrants who moved to Baku] have stated that they were unemployed before migrating, while they have been working since moving to the capital city" (Aliyev, 2008, 27-28). In this situation, while rural migrants have low skills to integrate into urban employment market, they become particularly vulnerable to unemployment.

As a result, in the case of Azerbaijan the labour migration can be considered as a mitigating factor of a tension in the domestic labour market, rather than shortage in certain areas. Commentators assign high level of migration among the population to economic hardship and unemployment, and also to social discomfort (Aliyev, 2008). Migrants from Azerbaijan are mainly attracted to countries in which the economy has a significant informal sector, such as Russia and Turkey. It is also determined by the established historic, social, cultural and

methodological assistance of ILO.

17 By the Law on Employment, individuals who own agricultural land are considered to be employed and are

<sup>&</sup>lt;sup>16</sup> LFS has been conducted in Azerbaijan since 2003; at the beginning with financial support of UNDP and methodological assistance of ILO.

therefore not eligible to be classified as unemployed.

economical ties, as well as by the increasing demand for labour migrants, the increasing availability of "non-prestigious" jobs and the improvement of living standards in these countries (Krylova-Mueller, 2009).

There are several major factors that limit positive impact of returning migrants on the Azerbaijani economy and society. First and foremost, the bulk of the migrants are occupants of low-skill jobs (retail and wholesale, restaurant and other petty services) and, thus, upon their return do not have much skills to offer. The migrants usually do not have a chance to get high skill jobs in the recipient countries. In 2006, the Migration Resource Centre conducted a survey in Azerbaijan to investigate the skills and specialization acquired by labour migrants abroad. According to the results of this survey, approximately 1/3 (29.8%) of the Azerbaijani migrants could not acquire profound knowledge in any specialization. Regarding the question on the type of skills acquired, the answers indicated that 44.3% of the respondents acquired language skills such as Russian and other languages (MRC, 2006).

However, even those who do get some valuable skills (language skills, applied skills for construction and other industries) do not usually have a chance to demonstrate them. This leads us to the second problem barring the dissemination of retuning migrant skills - low profile of the home country's economy, which does not have a capacity to accommodate new skills. From conversations with labour migrants who returned to Azerbaijan it became known that these people were employed in different fields of economy. For example, people working in construction field in Russia acquired specific skills applied in this sector. These skills may be applied efficiently and qualitatively in construction sector of Azerbaijan. Labour migrants living in Germany learned new technologies for painting during construction work. We can add to this a case of a person living in Germany who studied German language and advanced communication technologies. This person who was fluent in German when returning to Azerbaijan assumed that he would find a job at home what at the end was not the case.

There are labour migrants, who also succeeded in getting additional education abroad. According to Migration Resource Centre information, a person specialized in Mining Engineering previously employed in Germany passed a special training during his employment in Germany. Once acquired his respective diploma he returned to Azerbaijan. However he could not find employment according to his profession in Azerbaijan for a year. Then he was offered to work in many companies as a translator. Since the mining engineering was not developed at that time in Azerbaijan, that person decided to leave again for Turkey.<sup>18</sup>

Small size of the domestic market is exacerbated by the third factor - high nepotism in employment in Azerbaijan. This factor hinders the dissemination of skills and experience gained by migrants. It is often very hard for any person (especially migrants who predictably have lower social capital and nepotistic circle) to find a job without protection. This in turn confines returning migrants to low skill jobs, of the retail/wholesale business or petty public service type work. The interviews<sup>19</sup> conducted with repatriates from Germany by representatives of the Migration Resources Centre during 2006-2011 lead to the conclusion that the majority of people who return back cannot find a job for a long period of time. If they have enough funds, they start small business. There is no state program for these people.

However, despite negative factors, there are also positive cases of the translation of skills and experiences by migrants to native soil. There are labour migrants who accumulated technological expertise and know-how while working abroad. Labour migrants working in mining field in Ukranian city of Zhitomir or Turkish city of Afyon tried to organize the production and sale of marble. Some of them launched private companies in Azerbaijan upon their return. The conversation with these individuals revealed that there were few

These interviews were conducted with the purpose to understand the needs of the repatriates and support them

in solving employment issues for this category of people.

<sup>&</sup>lt;sup>18</sup> The information was given by labour migrant personally during the depth survey on skills acquired abroad conducted by Migration Resource Centre in September-November 2006.

Final Country Report Azerbaijan 13

specialists in marble production in Azerbaijan. These people who are currently engaged in providing minor services are interested in the expansion of their activities, like the development of mining fields. According to recent information in mass media, a marble deposit was discovered in Dashkasan region of Azerbaijan. This discovery creates additional good opportunities for people with experience in mining.

Increase of poverty and employment problems were push factors of migration in the country. As the number of migrants increased, so did the remittances. Although many people from Azerbaijan work abroad, remittance receipt in Azerbaijan as a share of GDP is much lower than in other neighbouring countries. In absolute terms, remittances increased from US\$ 57 million (EUR 61 million) in 2000 to US\$ 1,472 million (EUR 1,109 million) in 2010. However, the ratio of total remittance inflows to GDP was about 1% in 2000, over 5% in 2005 and only 2.8% in 2010 (World Bank, 2011b). However, it should be noted that there is no consolidated data on remittances to Azerbaijan. Various agencies and organizations report different figures. The main discrepancy is the result of different methodologies used to calculate the amount of remittances. Furthermore, as confirmed by a study<sup>20</sup> carried out by Asian Development Bank (ADB, 2008), in terms of transfer channel, in 2006 most remittances were carried home by hand rather than transferred through banks potentially making official remittances statistics to underestimate the real figures.

CIS countries have a significant role in the migration process. The majority of remittance senders to Azerbaijan are from Russia (83%). It proves that in spite of the growth of migration to other countries (Germany, Turkey, etc.) observed in the recent years, the traditional migration route to Russia still occupies the central place.

As mentioned above, 60% of remittances are sent to rural areas. Azerbaijani agricultural economy is of subsistence character rather than intensive for-profit one. Therefore, remittances coming to rural areas are mainly spent on consumption. As a result, the remittances do not institute qualitative developments, but rather quantitatively add to the consumption.

#### 3.2. Social Security

The current social assistance policy in Azerbaijan is needs-based (TSA - targeted social assistance). The main principle is to distribute state resources efficiently to the poorest persons as identified by a proxy-means testing. Households (HH), seeking social assistance have to declare their socio-economic situation to social assistance services. If monthly per capita income of HH is below legislatively identified threshold, the HH will be eligible for TSA - calculated for all HH members. Remittances are taken into account as part of HHs income, while emigrants are not counted among the family members when delivering benefits. As for migrants, they can apply for social assistance upon return to Azerbaijan.

As regards health insurance, the government of Azerbaijan has introduced mandatory health insurance and established the State Agency for Mandatory Medical Insurance in January 2008. However, this agency is not yet fully operational. Voluntary medical insurance is only provided for about 1% of the working population and mainly includes employees of oil companies and inter-governmental institutions. Thus, the majority of the citizens of the country including returning migrants still do not benefit from a medical insurance and have to pay for health services out-of-pocket (EC, 2011a, p. 134).

According to the 'Law on Labour pensions' (Article 43) labour pensions of migrants are paid to their bank accounts, or transferred to the account in the destination country, if they are still citizens of Azerbaijan. Those migrants, who changed citizenship, are eligible only for disability labour pensions, if they became disabled before changing their citizenship. Old age pensions have to be paid by destination country in accordance with multilateral or bilateral agreements.

-

<sup>&</sup>lt;sup>20</sup> The study was carried out from 17 January to 13 February 2007. A stratified sample size in Azerbaijan was 3900 HHs, representative for the whole country.

Yet there is no information describing the whole picture of the measures taken by the government to protect the rights of Azerbaijani migrant workers abroad. Although migration flows are important in Azerbaijan, a lot of these migrants leave the country to work in informal employment. As a result, they are outside of social security regulations. Information on the number of migrant workers who succeeded in obtaining a work permit is not available. According to the study on migration processes conducted by the State Statistical Committee with technical assistance of UNFPA in July-November 2009<sup>21</sup> more than half of migrants from Azerbaijan worked without official work permits, under oral agreement or self-employed. The number of people engaged in trade and small business significantly prevailed among the respondents.

Thus, only the first steps have been taken concerning the social protection of migrant-workers in the countries of their employment. The main burden for the provision of social benefits to labour migrants and members of their families lies with Azerbaijan. Informal workers do not make payments to the social security systems – a situation that increases 'real' dependency rates and reduces the amount of public resources available for funding health, pensions and education services. The situation demands the creation of social security net designed for labour migrants to guarantee them pension on the one hand and avoid additional pressure on the existing pension system on the other.

Azerbaijan has acceded to the 1990 UN Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families; however, a lot of work is still to be done to ensure that the country is fully implementing the requirements of the Convention. Many of the countries in which Azerbaijani migrant workers are employed are not yet parties to the Convention, which may constitute an obstacle to the enjoyment by those workers of the rights to which they are entitled under the Convention (UN, 2009).

The Azerbaijani Government has concluded bilateral and multilateral agreements at international level. Among them, it ratified the CIS Convention on the legal status of migrant workers on 30 September, 2010.

Another Agreement among the members of the CIS 'On Collaboration in the Sphere of Labour Migration and Social Protection of Migrant Workers', ratified by Azerbaijan in 1996, regulates the major spheres of employment and social protection of individuals (employees) and their family members residing permanently on the territory of any of the signatory states in accordance with the labour legislation of the recipient state (Article 1). The Article 10 states that migrant workers are entitled to social insurance and social protection (excluding pensions, which are regulated by 'Agreement on Provision of Pension Rights of the citizens of the CIS member countries' and bilateral agreements) in accordance with the employment legislation in force on the territory of the signatory state, unless otherwise established by a special agreement. The Article 4 of the agreement indicates that the signatory states mutually recognize the job tenure obtained by people on the territories of these states. This article also states that diplomas, educational certificates and other corresponding documents which certify ranks, grades and qualifications of a worker, are also mutually recognized. According to the agreement, medical treatment of migrant workers is provided at the expense of the employer on an equal level with a recipient state's citizens.

The pensions, their transfer and rates are regulated by the 'Agreement on Provision of Pension Rights of the citizens of the CIS member countries' (signed in Moscow in 1992). The Article 1 of the agreement defines the rates and other specifics of the pensions according to the social protection legislation of the country, within which a person entitled for a pension resides. The Article 4 of the agreement stipulates the harmonization of the legislation regarding pension provision among the CIS countries. However, this harmonization has not been undertaken subsequently.

<sup>&</sup>lt;sup>21</sup> Sample survey covered 15 thousand individuals over 15 years old, arrived and departed country in all border-crossing points of the country during a weekly observation conducted in July, September and November 2009. The main goal of the survey was to study the migration processes, identify reasons and directions.

Further, Azerbaijan concluded bilateral agreements on provision of pensions with Ukraine, Moldova, Kyrgyzstan, Kazakhstan, Uzbekistan, Turkmenistan, Georgia and Turkey. With Turkey, Azerbaijan has concluded also an "Agreement on the Cooperation in the Sphere of Social Protection" (December 1998) covering pension provision, health care and unemployment benefits. Approval of similar agreements with a number of other countries is pending.

An Agreement with Russia, the main destination country for migrants from Azerbaijan has not yet been ratified. As deputy head of the Russian Federal Labour and Employment Service Ivan Shklovets noted recently in Baku, "in order to provide full social protection, envisaged by the Russian legislation, for the labour migrants it is necessary to legalize [the social protection mechanism] in its entirety, i.e. a certain number quotas and certain specialties are defined and foreign experts are invited with an eye to these factors. When this mechanism is finally introduced, all the provisions of bilateral treaties on mutual respect of pensions will come into effect" (ABC.az, 2011). So, currently the bilateral social protection legislation between Azerbaijan and the Russian Federation is not implemented due to the lack of linkage among various documents that might close the existing gaps and constitute a system of legislation. As a result, the calculation of pensions for the former citizens of Azerbaijan considers only the insurance period of work in the Soviet Union before January 1, 1991. Periods of employment after that date are included in the insurance period, if insurance premiums to the Pension Fund of the Russian Federation were paid.

However, the most important problem is the lack of swift implementation mechanisms due to the vague nature of the agreements. Specifically, these agreements leave a lot of important issues (for instance, the identification of the pension rates, like in the case of the agreement with Turkey) to the decision of the social protection ministries and other public agencies of the signatories. This in its turn creates a potential for ad hoc decision-making, which cannot be viewed as stable. On the other hand, the ministries (especially in Azerbaijan) are often slow to take and implement decisions. As a result, the stable and swift implementation of social protection legislation concerning migrant workers is negatively affected.

Another important problem in the implementation of the social protection agreements is the lack of dynamic harmonization. In the early 1990s identical pension systems were operational in the CIS countries inherited from the former Soviet Union. However, since the 1990s some countries increased the retirement age and minimum contribution periods. The procedure for the calculation of pensions was also changed repeatedly. All this significantly complicated the implementation of the territorial principle of pension provision and requires coordination of responsible agencies in source and destination countries. Unfortunately, data about pensioners covered by these agreements could not be obtained.

In addition, a big problem of the social protection of the Azerbaijani migrants is the predominantly irregular character of their employment in the destination countries. This in turn hampers the entrance of these migrants into legal space of social protection regulations.

### 3.3. Poverty and Social Exclusion<sup>22</sup>

Poverty in Azerbaijan has its historic roots even in the Soviet times. In spite of the fact that in the 1970s the welfare level of population doubled, in 1990 an average salary in Azerbaijan was 1.5 times lower than the USSR average. Taking into account that then salaries and wages made about 70% of population incomes, the statistics of 1990 indicate that more than 35% of the population had incomes lower than the subsistence minimum. Thus, on the eve of the dissolution of the USSR Azerbaijan had a high poverty rate (SSC, 2004).

Poverty became shallower in Azerbaijan, with a large number of people concentrated around the poverty line. Over the recent years, the country experienced a considerable decline in the number of people living below the poverty line, thanks in big part to inflow of money from oil exploration into the economy of the country. According to World Bank estimates, between 2001 and 2008, urban areas experienced a more rapid decline in poverty than rural areas. Specifically, the World Bank report notes that "in urban areas, the incidence of poverty declined from 55.7% in 2001 to 14.8% in 2008. The corresponding decline in rural areas was from 43.5% to 17.0%" (World Bank, 2010a, p. 14). This trend shows that urban areas provide greater opportunities for the people to improve their welfare.

At the same time, rural areas are becoming more associated with poverty. As the World Bank report (2010) argues, "compared to 2001, when only less than 40% of Azerbaijan's poor population lived in rural areas, poverty in Azerbaijan has become somewhat more of a rural phenomenon in 2008. About 51% of Azerbaijan's poor now live in rural areas, despite accounting for about 45% of the total population" (World Bank, 2010a, p. 14).

IDPs and refugees have been for many years the social groups most vulnerable to poverty. The 2008 Living Standards Measurement Study (LSMS) survey<sup>23</sup> undertaken by the World Bank and the Government of Azerbaijan, and the Household Budget Survey (SSC) have identified IDPs and refugees as the most vulnerable population strata. A report by the Internal Displacement Monitoring Center indicates that IDPs have poorer living conditions than the rest of the population in general. They have fewer employment opportunities and continue to be dependent on government assistance (IDMC, 2008).

As already mentioned, increasing poverty and employment problems in the 1990s were push factors of migration in the country.

The breakdown of remittance senders by frequency of sending shows that most of remittance senders (78%) make transfers maximum 3 times a year. Evidence from surveys suggests that remittances are primarily used for consumption purposes, as well as for building or buying a house (EBRD, 2007). The main part of remittances is used for HH basic expenses (87%), only less than half a percent is used for business investment. The remittance-receiving HHs spend on education and health care less than non-remittance HHs. It proves that they use remittances generally to reduce their income poverty. A majority of remittance recipients in Azerbaijan are not employed (61%) and around 60% of the remittances are sent to rural areas (ADB, 2008).

analyses of the poverty profile in the country.

23 The World Bank in collaboration with the Ministry of Labour and Social Protection of Population implemented a nationally representative Living Standards Measurement Study (LSMS) during the first quarter of 2008. The 2008 LSMS, based on a sample over 6,600 households, provides also an opportunity to evaluate the Targeted Social Assistance. The 2008 LSMS was intended to complement the existing HBS.

<sup>&</sup>lt;sup>22</sup> One of the early efforts to measure poverty in the post-Soviet Azerbaijan was the Survey of Living Conditions (SLC) conducted in late 1995. The results of that survey showed that over 60% of the households lived below the "food-only poverty line". This food-only poverty line was based upon the cost of a minimum maintenance food basket developed by the Ministry of Labour and Social Protection of Population. The surveyed households were classified as "poor" if their actual expenditures for food (adjusted for the household size) were below the cost of that food basket. The major limitation of this poverty line was that it was "not taking into account the effects of non-food consumption on total welfare" (World Bank, 1997). In 2001, the SSC introduced a new methodology in conducting its Household Budget Survey (HBS). This revised methodology was developed with technical assistance from experts at the World Bank and other international organizations. It is more in line with international standards. Since the beginning, the new quarterly HBS became one of the major sources of data for analyses of the poverty profile in the country.

HBS 2010 shows that in general remittances represented only 3.8% of households' income in the country. This share is fluctuating by income quintiles of HHs from 1.2% for the 1st, the poorest quintile, to 4.0% for the 5<sup>th</sup> quintile. This indicates that the richer households of the country proportionally profit more from remittances than the poorest ones (See Table 3.4).

According to the HBS, the share of remittances in the income structure of households comprising single adult with children was about 21% in 2010 and 23.7% of other households with children. It was much less for other groups. This information makes it obvious that the breadwinner of such a household is a labour migrant. This group of households spends about half of their expenditures on food purchase.

The role of remittances in the poverty alleviation is especially salient in rural regions. ADB report (2008) argues that "while excluding remittances out of total income of remittancereceiving HHs, the poverty incidence in the country, including locality, using the poverty line US\$ 4 per day, was increased by 4.5 percentage point (p.p.) in the country, by 2.4 p.p. in Baku, by 5.0 p.p. in the other urban areas and 5.4 p.p. in the rural areas" (ADB, 2008, p. 59) (See Table 3.5). We can therefore conclude that remittances slightly reduce urban-rural inequality in the country.

### 4. NET MIGRATION LOSS AND GAIN REGIONS: LABOUR MARKET AND SOCIAL DEVELOPMENT TRENDS

#### 4.1. Identification of the net loss and gain regions

The Republic of Azerbaijan includes Nakhchivan Autonomous Republic, 66 administrative regions (rayon), 77 towns, 257 settlements, and 4261 rural settlements<sup>24</sup>. According to their economic and geographic specifics, these administrative units are grouped into 10 economic zones, plus Baku (See: Map 2). Such socio-economic division comes from the Soviet period, when each region was specialized in the production of different goods or industry products. For example, Lenkaran economic region consisting of Masally, Lerik, Lenkeran, and Astara, specializes mostly in the production of tea and citrus fruits<sup>25</sup>.

Before turning to the description of the net migration rate by regions, it is necessary to mention that Azerbaijan has two fully de-populated regions - Yukhari Karabakh and Kalbajar-Lachin economic regions - which is due to the occupation of these territories by Armenia. The ethnic Azerbaijani and Kurdish inhabitants (about 700,000 people) of these regions were forced to abandon their homes and territories and migrate to other territories of Azerbaijan. Azerbaijan is a country with a high internal migration rate - every eighth person in the country is an internal migrant. The IDPs and refugees settled in all other regions of the country. The main areas where IDPs settled are Baku city, Aran, and Ganja-Gazakh economic zones. The regions where the number of IDPs is comparatively less are Nakhchivan Autonomic Republic (0.6%), Lankaran (0.3%) and Guba-Khachmaz (1.1%) economic regions (Mammadova et al., 2007, p.186).

The approximate value of net migration by regions is calculated by considering the difference between the change of population amid the last two censuses of population in 2009 and 1999, the sum of natural increase over the period deducted (first step):

$$\text{NM} = RPop_{2009} - RPop_{1999} - \sum_{1999}^{2009} NI$$

where, NM – net migration in the region X RPop – number of population in the region X NI – natural increase of population in the region X

<sup>&</sup>lt;sup>24</sup> SSC. http://www.azstat.org/statinfo/demographic/en/index.shtml#, retrieved on 30 January 2012.

<sup>&</sup>lt;sup>25</sup> Girkan Bioshpere Reserve: <a href="http://www.science.az/hirkan/en/menu29.htm">http://www.science.az/hirkan/en/menu29.htm</a>, retrieved on 12 December 2011.

The net migration rate indicates the contribution of the net migration to the overall number of population (second step). The net migration rate does not distinguish between economic migrants, and other types of migrants and does not take into consideration undocumented migration.

The estimations on the net migration rates by regions indicate positive net migration only for Baku, Absheron, and Nakhchivan, and negative net migration for all other economic zones over the last 10 years (See: Table 4.1). The highest positive net migration occurred in Baku (105,000 persons or 5.14%) and Absheron (100,300 persons or 19.51%). The highest outflows have been observed in Aran (-15,300) and Lankaran (-11,200). However, the outflow in Lankaran is the highest in relative terms (-1.36%).

Baku and Absheron are the regions that suffered from internal migration more than other regions. For example, 216,000 IDPs out of 700,000 settled only in Baku, without the consideration of the other settlements of the Absheron peninsula.<sup>26</sup> IDPs living in Baku settled in 1037 facilities, 262 of which are student dormitories.

The absence of concrete and reliable statistics makes it difficult to analyze the whole complexity of the balance between losses and gains. However, the fact that Baku and Absheron are main places of migrant inflow is evident and indisputable. And the major reason for this is two-fold: the most important reason is wider employment opportunities. A second factor is a better provision of amenities (mainly, electricity and gas) in Baku and Absheron peninsula in comparison to other regions of the country.

According to the State budget of the Republic of Azerbaijan, Baku city is the only territory, where local revenues exceed expenditures, which also is another indicator of the wide economic opportunities of the region.

Baku is the capital and major economic region of the Republic of Azerbaijan.<sup>27</sup> Baku has the highest salaries. According to the State Statistical Committee, the average salary in Baku is 474.8 AZN (equivalent to 445,5 EUR).<sup>28</sup> The recent oil boom, oil and gas projects, and construction (road, buildings, infrastructure, etc.) turned Baku into the centre of socioeconomic development of the country.

Absheron's economic region (includes Absheron, Khizi districts, and Sumgayit city) is located at Absheron peninsula and compared to Baku attracts fewer migrants. The reason for this is a comparatively low level of income and worse access to services. For example, the average salary in the Absheron region is 246 AZN (equivalent to 231 EUR)<sup>29</sup>, which is significantly lower than that in Baku. However, people settle in Absheron region and commute to Baku for work on a daily basis. In this context, it is worth to note that one of the characteristics of the region is a growth of illegal private home construction. People from different regions settle in this area and build houses, considered as illegal by the government bodies. This leads to frequent conflicts and disputes between the population and the administration in particular areas. Despite less socio-economic opportunities (in comparison to Baku), the regional economy is based on the production of oil chemistry products and machinery, along with agricultural commodities.

In reverse to Baku and Absheron, the economic regions of Lankaran and Aran are areas that have the highest negative migration rate. The geographical location and socio-economic factors are the main driving forces of the outflow from these regions. The Lankaran economic region is located in the south-east of Azerbaijan<sup>30</sup>. Total number of population of the

<sup>&</sup>lt;sup>26</sup> Speech of President Ilham Aliyev, AzerTac State Agency, 4 March, 2010.

<sup>&</sup>lt;sup>27</sup> Baku economic region includes Khazar, Binagadi, Khatai, Nasimi, Nizami, Narimanov, Qaradag, Sabunchu, Sabail, Surakhani, Yasamal districts. Baku is located on the Absheron peninsula. Total area of economic zone is 2.13 thousand sq. km. The region is considered as ecologically most devastated area due to its severe air, water and soil pollution resulting from oil spills.

<sup>8</sup> SSC, http://www.azstat.org/statinfo/labour/az/010\_1.shtml.

<sup>&</sup>lt;sup>29</sup> SSC, http://www.azstat.org/statinfo/labour/az/010\_1.shtml.

The economic region of Lankaran includes the administrative rayons Astara, Lankaran, Lerik, Yardimly, Masally, and Jalilabad. The economic region is surrounded by the Caspian Sea to the east and the Islamic

economic region is 832,000 people, which is 9.2% of the population of the country, 75% of the population of the region live in rural areas. The average salary is 218 AZN (equivalent to 205 EUR)<sup>31</sup>. The major source of income is agricultural production. However, due to the decline of the agricultural sector growth in the 1990s and less demand on agricultural commodities produced in this region, the outflow of population from Lankaran economic zone was very high. In addition, due to the lack of funds, the government did not invest in the development of the region. Only in the last years, the government started developing the tourism potential of Lankaran. It is expected that due to the growth of tourism sector, the outflow of population will decrease.

The Aran economic region<sup>32</sup> has a population of 1.8 million people which is 20 % of the population of the country. More than 60% of population live in rural areas. Aran is the biggest region in the country also from the territorial point of view -24,7%, but share in the gross output was 6,6% in 2009, decreasing from 9,5% in 2003. This is explained with an expansive growth of the oil sector in the country. Agriculture prevails in the economy of the region. The birth rates of Lankaran and Aran economic regions are higher than that of the country average (See: Graph 4.1.). Due to high birth rates, the population of this region and hence its labour force grow rapidly. Due to the lack of employment opportunities, active labour-age individuals are forced to migrate to other regions in pursuit of better employment opportunities.

Another region with a relatively high rate of population outflow is Daghlik Shirvan. However, the impact of migration from this region is minor. While in relative terms, the outflow from the regions looks sizable, in absolute terms it is still insignificant in comparison to that of other regions due to the fact that the region has the smallest share of inhabitants among the economic regions of the country.

#### 4.2. Labour market developments in net migration loss and gain regions

Non-proportional distribution of productive resources amongst regions caused strong regional differences in the socio-economic development of them. The intensive development of the capital city, compared to provinces, resulted in concentration of a large part of the country's productive resources in Baku city. Such a concentration of resources worsened the socio-economic situation in provinces and caused migration from regions to Baku.

Territorial income disparity is not surprising when considering the disproportion of the entire economy; a large discrepancy exists in the production of goods by regions. For example, almost 78% of goods produced in Azerbaijan in 2009 came from Baku. The rest of Azerbaijan produced 22% of the products. The Aran economic region, the second largest economic region, accounted for only 6.5% of all goods produced in the country.

The high degree of population outflow in Aran and Lankaran regions is mainly connected with the lack of job opportunities, since both migration regions generate their main income from the agricultural sector. People leave their residence and move to the cities because of low-paid and seasonal jobs. However, despite low wages, the share of those employed in the agricultural sector still accounts for 38.2% in 2010 and only slightly decreased in the last years.<sup>33</sup> Looking at the figures of those who entered the labour market for the first time, we see that the share of those involved in the agricultural sector even increased from 2008 to

Republic of Iran to the west and south. Total area of the economic region is 6.07 thousand sq. km, which is 7% of the country territory. Based on topographic characteristics, the area of the region is divided in two parts by Lankaran lowland and Talish mountains. 23% of region's territory is covered by forests. The region has a humid subtropical climate.

SSC, http://www.azstat.org/statinfo/labour/az/010\_1.shtml.

The Aran economic region includes administrative rayons: Agdash, Agjabadi, Barda, Beylagan, Bilasuvar, Goychay, Hajigabul, Imishli, Kurdamir, Neftchala, Saatli, Sabirabad, Salyan, Ujar, Yevlakh, Zardab, in addition to Mingachevir and Shirvan cities. It borders Greater Caucasus mountains in the north, Small Caucasus in the south-west, the Lenkaran economic region to the south and the Caspian Sea to its east. More than half of the Aran Economic Region's territory is plain areas located below sea level. The climate of the region is dry sub-tropic one. 33 SSC, http://www.azstat.org/statinfo/labour/en/002 1.shtml.

2009 (8.4% and 15%).<sup>34</sup> This might be an indication for lacking employment opportunities for young people in other sectors. In contrast, the share of the agriculture sector in the gross value decreased from 29% in 1990 to 5.4% in 2010. The part-time, seasonal and short-term jobs started to form the majority of agriculture employment.

Compared to other regions, the Lankaran economic region has one of the lowest numbers of people employed in construction and industry<sup>35</sup>. In reverse, employment in construction and industry sectors in Baku and Absheron is the highest.

There is a significant difference in the structure of income by economic regions. Almost half of the income in Baku and Absheron comes from the waged employment, while in Lankaran and Aran, the share is only 26% and 23% respectively. This is largely due to the fact that much of the population in rural regions is involved in subsistence agriculture. All this contributes to differences in the level of poverty between regions and the capital (SSC, 2010d. See: table 4.6).

Along with the highest numbers of employed people, Baku also has the highest wages: the average nominal wage in Baku city in 2010 was 474.8 AZN (445.5 EUR), which is more than twice as high as that of Lankaran and Aran economic regions. In spite of the increase of nominal monthly wage in 2010 by 8.7 times in Lankaran and 7.5 times in Aran in comparison to the levels of 2000, it is still lower than the country average by 34% and 35% respectively (See: Table 4.3.).

Comparing unemployment rates in the Lankaran and Aran regions with other regions, it is hard to assess the situation objectively due to the absence of relevant data. According to official statistics, Lankaran has the lowest number of unemployed people in the country. But these figures can not serve as indicators simply because people may not be registered officially. The registered unemployment is far less than both of ILO-based calculations, i.e. LFS. This happens mostly due to the limited access to and the low level of unemployment benefits and active labour market programs (Kuddo, 2009). Besides, according to the 'Law on Employment', individuals who have agricultural land are considered employed and are not eligible for unemployment benefits.

Along with the absence of real unemployment figures, the situation in the labour market of the country is further complicated by the presence of a large number of IDPs. The IDPs are still struggling to get a stable and sustainable income. In rural areas, IDPs are employed in agricultural enterprises or involved in subsistence agriculture. However, the absence of investments or loans does not allow IDPs to produce enough products for sale. Thus, all agricultural production is for subsistence. Many IDPs in rural areas still depend on governmental assistance or remittances from relatives abroad.

In contrast, IDPs in urban areas such as in Baku and Absheron have better employment opportunities although employment is mostly informal. This includes such positions as sales persons, construction workers, cleaners, etc. Typically, IDPs have a wide range of skills and education levels. They often engage in various activities to generate income even if jobs do not reflect their qualifications. These include informal daily labourer jobs such as trading, construction, cleaning, repair work, gardening, or agricultural activities. Some IDPs are engaged in semi-permanent jobs with local state administrations. IDP settlement facilities generate most of the employment for IDPs. While the income is higher for IDPs working in local administration or in IDP settlements (between €80-100 per month), day labour yields low and erratic incomes (about €60 per month). Transportation to and from work also has a significant impact upon IDP resources and is a noteworthy obstacle in the ability of IDPs to search for and sustain employment in nearby towns and cities (UNHCR, 2009).

<sup>&</sup>lt;sup>34</sup> SSC, <a href="http://www.azstat.org/statinfo/labour/az/003\_1.shtml">http://www.azstat.org/statinfo/labour/az/003\_1.shtml</a>.

<sup>&</sup>lt;sup>35</sup> SSC, <a href="http://www.azstat.org/region/az/006.shtml">http://www.azstat.org/region/az/006.shtml</a>.

#### 4.3. Poverty and social exclusion in net migration loss and gain regions

According to different studies, there was a considerable reduction in the disparity of living standards during the 2000s. A breakdown of poverty by geographic locations reveals a growing convergence across the nine economic regions of Azerbaijan. According to the latest reports, the level of poverty in the regions of Azerbaijan declined significantly (World Bank, 2010a). However, Baku still enjoys lower poverty, although the gap between the capital and the rest of the country has shrunk. While the official poverty rate declined to 9.1% in 2011, poverty rates by economic regions are not available. However, the estimates based on LSMS 2008 data show that absolute poverty rates are the highest in the Daghlig Shirvan, Sheki-Zaqatala, Aran, Guba-Khachmaz and Lankaran economic regions. In general, the poverty level more or less equally decreased throughout all regions of Azerbaijan, including Aran and Lankaran economic zones, which is mainly due to the opening of new plants and state facilities as a part of the State Program on Regional Socio-economic Development (see 6.4). Further, the government of Azerbaijan undertook reforms in the pension system and launched special measures on the protection of socially vulnerable groups of population. Furthermore, in Lankaran, new jobs in the tourism industry were opened<sup>37</sup>.

Along with differences in poverty rates and socio-economic income, the population of the provinces has limited or no access to basic utility services such as water (including hot water), gas supply and telephone services (See: Tables 4.7, 4.8). Azerbaijan's child and infant mortality rates are one of the highest among Eastern European and CIS countries which is due to the limited access to health services in rural areas. Healthy life expectancy at birth is below the regional average and also the average for the lower middle income countries to which Azerbaijan belongs. The official statistics do not allow qualitative analysis of the situation by loss and gain regions. However, the comparison of official statistics gives some understanding of the situation in healthcare in the Lankaran and Aran regions. The comparison of official statistics on the number of doctors, nurses, and hospitals in the regions shows that the Aran economic region has the highest number of medical personnel and medical facilities. The reason behind is the high population in this reason. In reverse, the Lankaran economic region falls behind a national average in terms of the number of hospitals (SSC website).

Despite a high number of schools and hospitals in the regions, the quality of education and healthcare has frequently been in the focus of criticism. In this regard, it is worth to mention the frequent visits of people living in the regions to Baku to get necessary medical treatment. As observations indicate, people from rural areas trust more healthcare facilities and doctors in Baku than in the regions<sup>38</sup>. The situation is complicated also by long distances between villages and hospitals located in the regional towns. Particularly, people in villages have problems in reaching state hospitals and clinics. This problem is more significant for the Lankaran economic region that has only 75 medical clinics for the population of around 824 thousand people. At the same time, it is necessary to mention that throughout last years, the government of Azerbaijan undertook measures to reducing the disparities in access to health care and opened a number of medical facilities and clinics in the provinces. For example, a modern medical-diagnosis centre was opened in Lankaran<sup>39</sup>.

Furthermore, the coverage and the quality of education services have been considerably low in the country for the last decade. Although primary and secondary education enjoys guite

http://www.lankaran.az/content.php?lang=az&page=turizm\_muessiseleri.

<sup>&</sup>lt;sup>36</sup> See also: The poverty rates in Azerbaijan decreased up to 9,1%. http://anspress.com/index.php?a=2&Ing=az&nid=107430, retrieved on 12 December 2011.

See also the website of the Executive Power of Lankaran:

See also: http://www.baki-xeber.com/new/2011/04/25/get=58651 (in Azerbaijani), retrieved on 12 December 2011.

Lankaran Executive Power: <a href="http://www.lankaran.az/content.php?lang=az&page=tibb">http://www.lankaran.az/content.php?lang=az&page=tibb</a> muessiseleri.

high enrolment rates, the quality of these education levels is questioned. In comparison to the other post-communist countries and to the lower middle income countries, Azerbaijan experiences very low enrolment rates in tertiary and pre-primary education (EC, 2011a). In accordance to the official statistics the Aran economic region takes one the leading places in terms of the number of secondary schools and students enrolled in those schools. Lankaran, in comparison, has one of the lowest rates in the country in terms of education facilities and education enrolment. Compared with other provincial regions, Baku, Absheron, and Nakhchivan (i.e., on average, the richer economic regions), display the higher gross enrolment rates in post-secondary education (World Bank (2010a; See Table 4.9). Other disadvantaged economic regions, such as Daghlig Shirvan and Yukhari-Karabakh display very low enrolment rates in post-secondary education. And Baku city enjoys by far the highest enrolment rates in higher education. Indeed, the World Bank report (2007) argued that despite a significant improvement in enrolment outcomes in most economic regions between 2002 and 2005, the enrolment gap in postsecondary education between Baku and the national average continued to widen.

The migration from regions to Baku and other countries had an impact on educational attainments of the province population in the beginning of the 1990s. Many school teachers left educational facilities and moved to Baku or Russia for better employment opportunities. As a result, regions, including Lankaran and Aran, experience a lack of teachers. Absence of proper data on migration tendency and composition of migration do not allow an assessment of migration impact on educational attainment of people left behind. However, it is evident that new graduates from pedagogical universities prefer to work in Baku. This leads to the shortage of teachers in the regions. According to officials from the Ministry of Education, regions need around 2000 teachers<sup>40</sup>. On the other hand, the preference of the graduates from pedagogical universities to stay in Baku results in the higher level of education quality in the facilities in Baku and Absheron in comparison to that of provinces.

It is to be highlighted that IDPs in Baku are living in a difficult socio-economic situation, without continuous access to communal services. Plus, IDPs were mostly unemployed in the first years of migration and this contributed to the rise of unemployment in Baku. One more problem that arose as a result of IDP flow to Baku was a problem with private apartments. Some IDPs illegally occupied apartments of Baku residents and refused to vacate them. Such a situation led to frequent conflicts between the owners of apartments and IDPs who settled there. Only in Baku and Sumgait, the number of IDPs living illegally in other people's apartments is 5445 persons<sup>41</sup>. Along with the impact of IDPs and refugees on Baku and Absheron, socio-economic migration from the provinces also contributed to unemployment, crime, and poverty rates in Baku and Absheron. The majority of socio-economic migrants from rural areas have not been registered in Baku. For example, according to official statistics, the number of Baku population is around 2,064,917 persons (SSC). However, according to estimations of local experts, the number of Baku residents currently is more than 4 million people<sup>42</sup>.

### 5. IMPACT OF MIGRATION ON VULNERABLE GROUPS

#### 5.1. Women

...

Women are affected by migration in two ways. Either they have been left behind by their husbands or they are themselves migrants.

There are some studies about the situation of women affected by migration. Specifically, the European Bank for Reconstruction and Development (EBRD) in 2007 conducted the

<sup>&</sup>lt;sup>40</sup> See also: Why teacher don't go to village? <a href="http://anspress.com/index.php?a=2&lng=az&nid=113655">http://anspress.com/index.php?a=2&lng=az&nid=113655</a>, retrieved on 12 December 2011.

<sup>&</sup>lt;sup>41</sup> Bayramov, R. (2011): Another example of the state care for refuges and IDPs', in: "Azerbaijan", 13 March.

<sup>&</sup>lt;sup>42</sup> 50% of the rural population lives in Baku: <a href="http://www.azadliq.org/content/article/24375627.html">http://www.azadliq.org/content/article/24375627.html</a>, retrieved on 12 December 2011.

Azerbaijan National Public Opinion Survey on Remittances, which provides interesting statistics. A major finding of the research is that "nine percent of Azeri adults – approximately 523,000 people – received remittances on a regular basis during 2006." (EBRD, 2007, p. 21). From this group, according to the survey, 52% were female remittance recipients. The survey also indicates that the greatest share of women (33% of the respondents) receive remittances from their husbands. In addition, 41% of female remittance recipients receive financial assistance for more than five years, indicating the long-term impact of migration on the families of these women.

The above-mentioned facts testify to a positive impact of the remittances on the women who are not (e)migrants and are left behind in Azerbaijan by their family members. However, there are also negative corollaries of the family member's migration on the women. For one, since labour in rural areas is still dominated by physical labour, the migration of husbands (and other male members of the household) places the whole burden of physical labour on women. Also, in psychological terms, the women bear the brunt of the lack of communication with their husbands for long periods of time.

Dilara Efendieva<sup>43</sup>, the chairwoman of the Association for the Protection of Women Rights in Azerbaijan argues that the wives of labour migrants as a rule, are left behind under the care of their husband's relatives, who control all their actions, including household expenditures and everyday duties. Very often, the wives of migrant workers are barred from continuing their education (or obtaining any professional qualification), getting a job, earning a living or living an independent life. Left to their own, these women are usually subject to psychological pressure from the society, which does not appreciate women living alone.

The number of women emigrating from Azerbaijan to foreign countries is growing. Researches demonstrate that a huge number of Azerbaijani women is involved in migration to Turkey, but now women migration to Russia is also increasing<sup>44</sup>. Unemployment is the main reason behind the increase in the number of women migrants. According to the opinion of Matanat Azizova<sup>45</sup>, the director of the Women Crisis Centre, migration among young women has been particularly salient. Basically, they go to other countries with the hope of finding a job. Some of them left the country for the purpose of working as a babysitter or a salesperson.

It is clear that women migrants move abroad once they break up, divorce, or in case their family faces economical difficulties. According to the opinion of Mehriban Zeynalova, the head of the Shelter for Victims of Women Trafficking, migrant women are more likely to be exposed to labour and sexual exploitation<sup>46</sup>.

Today Azerbaijan is considered as an origin, destination and transit country for trafficked persons. Girls and women are mainly trafficked for the purpose of sexual exploitation, while men from Azerbaijan are trafficked to the United Arab Emirates (UAE), Turkey, Pakistan and India for labour exploitation (ILO, 2008). According to the Trafficking in Persons Report for 2010 of the US Department of State, Azerbaijan is a source, transit, and limited destination country for men, women, and children trafficked for the purposes of commercial sexual exploitation and forced labour. Women and children from Azerbaijan are trafficked to Turkey and the UAE for the purpose of sexual exploitation. Women are also trafficked to Iran, Pakistan, and the UAE for purposes of sexual exploitation and forced labour. Some women and children are trafficked internally for forced prostitution and forced labour, including forced begging. According to the official website of the Ministry of Internal Affairs, 221 criminal cases of trafficking were identified in 2010. Also 34 victims of women trafficking were identified in 2010. Certainly these official figures do not reveal the depth of the problem of

<sup>&</sup>lt;sup>43</sup> Interview held with Dilara Efendiyeva on August, 18, 2011.

<sup>&</sup>lt;sup>44</sup> This opinion was expressed in interviews for this study by Mehriban Zeynalova, the Head of the National NGO "Clear World" held on August 15, 2011 in Baku and the interview with Aliovsat Aliyev, the Director of the Azerbaijan Migration Centre, held on August 20, 2011.

Interview held with Matanat Azizova on September 5, 2011.

<sup>&</sup>lt;sup>46</sup> Since the purpose of the present study was not to explore thoroughly the condition of labor exploitation, this issue was superficially touched.

women trafficking. According to national experts and representatives of NGOs active in combating human trafficking, the problem unfolds and progresses latently.

#### 5.2. Children

Like women, children can also be categorized into two big groups: those left behind by parents, and those who migrated with them.

Children from the first group are mostly those whose fathers (or both parents) are labour migrants working in other regions of the country or beyond. Unfortunately, there is no evidence of the number of these children left alone by one or two parents. Remittances sent by migrant parents may have a positive impact on the children's education and living conditions. However, the deprivation of parental care and supervision makes a child susceptible to social ills, like involvement into criminal activity. Authoritative studies (such as for instance, Loeber and Stouthamer-Loeber, 1986) conclude that parental neglect has the largest impact on juvenile crime and adult delinquency.

Children of the second group can be divided into two sub-groups. The first sub-group includes children who, together with their families moved for temporary residence to other regions of the country. The children of the second sub-group are those who migrate on their own within the country, being a street children. Some of them have a family and home, but due to poor financial conditions they are forced to earn money on the street. Thus according to information given by Y.Bakirov, the chairman of Defence League of Children Rights (Musayeva, 2011), roughly 10.000 street children currently roam the roads of Azerbaijan. The official authorities do not control these children. Obviously, they do not get education, lead miserable life and are under a constant risk of becoming the victims of labour or sexual exploitation (sometimes being exposed to such violence and becoming the objects of physical attacks and harassment).

An actual problem of children from labour migrants' families who returned home is related to their education. Children living with their labour migrant parents in Europe got their initial education in one of the European languages. For instance, an Azerbaijani migrant, who resided in Germany, confirmed during an interview with one of the authors of this study that his child speaks German fluently, while not having the knowledge of the Azerbaijani. Since there is no school that has German as a language of instruction in Baku and in Azerbaijan as a whole, the same child had to take Azerbaijani language courses, passed an exam and lost two years of secondary education as a result<sup>47</sup>.

Within the frame of the project "Application of damage reduction program among street children", the NGO "Reliable Future" revealed another major problem of the children left behind, namely early marriages. In many cases, migrant parents are not able to support their children financially. This in turn, makes migrant parents inclined to marry their daughters left behind as early as possible. In many cases 14-16 year old girls become the victims of early marriages.

Another important problem of the migrant parent children arises if their parents divorce. In this situation alimony payment is difficult to enforce. The situations when father and mother of a child live in different countries, or one of the parents changes citizenship within several years after registering his/her marriages in Azerbaijan as an Azerbaijani citizen may cause problems with alimony payment enforcement. According to Mr. Seyidov, it is often impossible to enforce a father who lives in a foreign country, and does not have a permanent residence, to pay alimony.

\_

<sup>&</sup>lt;sup>47</sup> This information was presented by a former labour migrant from Germany during the meeting on September 24, 2011 in Baku. The interview was conducted by Azer Allahveranov.

#### 5.3. Elderly

Elderly of the country are not involved into the migration processes. Migration might have a positive impact on this category of people, albeit on a small share of it. This positive effect is manifested in the remittances that are sent to these people by their nearest relatives working as migrants outside Azerbaijan. However, according to a research of the European Bank for Reconstruction and Development (2007), only 8% of elderly (aged above 65 - this population group constitutes 10% of the entire Azerbaijani population) receives remittances from their children on a permanent basis. All remittances received by elderly are used for the coverage of basic daily expenses such as food, housing, clothing, utilities and medicine.

On the other side, it is most likely that the migration of the children rather has a negative impact on their parents since they are left alone without the care that usually their children would provide. As mentioned earlier, especially in rural areas, the access to public health and social services is very limited so that the elderly have to rely on other relatives or on their neighbours in case they need support and care. For instance, as the Azerbaijani part of the Social Protection and Social Inclusion report argues, "[...] among other acute problems [of the medical care provision in Azerbaijan], is the shortage of medical personnel in rural areas, where there is no inflow of specialists or replacement of retiring older personnel" (European Commission, 2011b, p. 130). According to the report, the rural inhabitants also experience a range of other problems with medical service provision, including the limited access to facilities (many rural areas may not have hospitals), poor quality of services (many rural inhabitants prefer to visit hospitals in the regional centers or the capital city because local hospitals often provide low quality services) (European Commission, 2011b, Chapter 5).

#### 5.4. Post-conflict Refugees and IDPs

Refugees and IDPs are the most vulnerable segments of the population in Azerbaijan. Thus in Baku, Ganja, Sumgait and other large cities IDPs have been sheltered in government buildings, schools, kindergartens, and student halls of residence. According to the data supplied by the Asian Development Bank, refugees and IDPs remain one of the poorest groups in Azerbaijan and as such have been identified as a priority group in need of special attention in the poverty reduction plan. At present refugees/IDPs still suffer from the absence of proper water and sewerage facilities as well as inadequate provision of healthcare and education. The UN Secretary-General's Special Representative for Human Rights Walter Kelin drew attention to the scale of existing problems in these areas during his visit to Baku in May 2010 (UN, 2010). According to Kelin, "tens of thousands of Azerbaijani IDPs still live in derelict, excessively cramped and highly unhygienic collective settlements" (Milli.Az (2010)).

According to the official information, in January 2010 there were 248,000 refugees from Armenia (accounting for 29.7% of the total number of refugees/IDPs) and 586,000 IDPs (accounting for 70.3%, respectively). 242,000 IDPs (41.3%) lived in Baku and Sumgait, while 344,000 IDPs (58.7%) lived in other parts of the country (SCRRIDPI, 2010). While 138,000 refugees (55.6%) lived in urban areas, 110,000 refugees (44.4%) lived in rural areas. It is important to note that the overall figures on refugees and IDPs in Azerbaijan do not include statistical data on residents of 21 Azerbaijani villages on the border with Armenia. Villages outside the boundaries of the former Nagorno-Karabakh Autonomous Republic and seven districts around were occupied by the Armenian troops during the Karabakh war. According to the Administration of the President of the Republic of Azerbaijan there were 128,000 people living there at the time (ADPRA, 2010, p.15). After the occupation residents of those villages did not leave the territory of their districts but settled down in neighbouring villages and towns. If their number is added to the total number of IDPs, this segment of the population makes up 700,000 persons.

The women and children from IDP category constitute a significant part of the vulnerable groups influenced by migration. According to the information provided by the State Committee for Refugees and IDPs of the Republic of Azerbaijan, the numbers of IDP children is 195,526 persons. According to this information the number of IDP women is

298,544 persons. Altogether this constitutes 57% of the entire IDP population. The other vulnerable groups among IDPs are elderly. The number of them is 66,809 persons (33,430 persons are men and 33,379 persons are women) (SCRIDPI, 2010). While employment prospects of the IDPs in Azerbaijan are limited, they tend to be mostly employed as cheap labour force in physically highly demanding jobs (World Bank, 2006). Further, IDPs suffer from less access to basic public services and fertile land. Most unemployed IDPs are those who were mainly engaged in traditional rural economy, while the employed are those who were mainly public servants before the displacement. "IDPs and returnees who were not public servants before they were displaced still struggle to find jobs or earn an adequate wage" (IDMC, 2008, p. 11). The poverty incidence among IDPs was significantly higher than the national average. So, all these factors mentioned above, i.e. the lack of job opportunities particularly for unskilled IDPs, lower access to basic public services, high rates of poverty and poor living conditions force IDPs to migrate from the areas, where they were initially settled, to the developing eastern part of the country, particularly to Baku (NRC 2003, p. 6).

#### 5.5. Roma

There are no serious researches devoted to the Roma population of Azerbaijan. But analyses of the situation in this field based on the observation and interviews with the representatives of the law-enforcement bodies and mass-media reports testify to a broad dispersal of Roma population in Azerbaijan.

The independent journalist F.Farzaliyev referring to information from non-official sources, states that the real number of Roma in Azerbaijan is much higher than officially stated, probably running much higher than several thousands (Farzaliyev, 2008). Due to the absence of basic research on Roma issues in Azerbaijan, it is difficult to provide precise numbers. The vast majority of them identifies themselves as Azerbaijanis, is sedentary and does not use Roma language. They live mainly in the Aran region (Goychay, Yevlakh, Agdash areas), as well as in large cities such as Ganja and Nakhchivan. Prior to the Karabakh War Roma communities exist also in Shusha, Agdam and Jebrail. There is a village Garachi (the word 'garachi' stands for Roma in the Azerbaijani) located in the Khachmaz district of Azerbaijan. In Yevlakh, there is a quarter, which is popularly called "garachylar mehellesi". Similar quarters exist in some villages of Absheron.

Today the Roma of Azerbaijan live in appalling living conditions. Unemployment or informal work, abject poverty, lack of elementary conditions of hygiene, medicine and modern nutrition, the lack of pensions and other benefits render important the development of state programs on the improvement of the living conditions and the employment issues of Roma in Azerbaijan. High rates of infant mortality in the Roma families are not reflected in the reports of Azerbaijan that are being submitted to WHO.

#### 5.6. Other ethnic and religious vulnerable communities

Despite the fact that Azerbaijan is a multi-ethnic state and is in the midst of migration processes, the real impact of these processes on ethnic and religious communities is not observed. Presence of ethnic and religious intolerance in the country negatively affects the impact of migration on ethnic and religious communities. The migration on ethnic grounds was salient in the early 1990s. Due to the Armenian-Azerbaijani conflict over Nagorno-Karabakh, Armenia and Azerbaijan exchanged hundreds of thousands of people. Further, the break-up of the Soviet Union led to the emigration of a large portion of the Russian and Jewish population of the country. However, as the initial wave of ethnically based migration passed, today migration has no tangible impact on ethnic and religious communities.

This might change in the near future when it comes to the emigration of Meshketian Turks, the former inhabitants of the region of Meshkheti in Georgia located along the border with Turkey. According to 1999 Census 43,400 Meshketian Turks, whose number in recent years has increased, were living in Azerbaijan. Meskhetian Turks' migration to Azerbaijan had two

major waves. In the wake of destalinization initiated by Nikita Khrushchev, "an estimated 20,000 to 25,000 Meskhetian Turks settled in Azerbaijan between 1958 and 1962" (Helton, 1998). The second wave of the Meskhetian inflow coincided with the Uzbek pogroms of Meskhetians in 1989 in Fergana valley. Around 100,000 Meskhetian Turks moved to Azerbaijan between 1989 and 1993 (Helton, 1998). The Meskhetian Turks who immigrated to Azerbaijan during the first wave are relatively well established in the Azerbaijani economic and social context. Shared religious, linguistic and cultural affinity with the local population made their integration into the Azerbaijani society easy. However, the migrants of the second wave, while having the same advantages, nevertheless face substantial status problems, which make them prone to migration. As Helton argues, "Meskhetian Turks displaced by the Fergana riots do not enjoy the same status as those in the first migration waves, and thus encounter greater difficulties. Most are not Azerbaijani citizens. Because many were registered as refugees, the most recent Meskhetian Turk arrivals were ineligible to obtain automatic Azerbaijani citizenship after the country became independent in 1991" (Helton, 1998).

The Georgian Ministry on Refugees, IDP's and the Resettlement has provided the immigrant status for 105 Meshketian Turks, who are the citizens of the Republic of Azerbaijan. It is known that the Ministry of Refugees of Georgia has received 13,000 applications from the Meshketian Turk settlers living in Azerbaijan, providing them with the refugee status under the Law "On repatriation", adopted in Georgia in 2007. According to this law the status of repatriate does not entail any right of return of property in Georgia, no housing, no social security, no training courses for language, nor the provision of work. It can be assumed that if the Georgian government will be able to solve the problems of social guarantees for returnee Meskhetians, the number of those wishing to return to their ancestral homeland in Georgia will increase.

Many Meskhetian Turks, just like other average inhabitants of Azerbaijan, have low standards of life. This is especially true of those Meskhetian Turks who are engaged in agriculture (Helton, 1998). As a result, their economic hardships overlap with their problematic legal status as a push factor for their migration.

### 6. POLICY RESPONSES

#### 6.1. Encouragement of circular migration

The Republic of Azerbaijan has taken serious steps and carried out important measures both at legislative and institutional levels with a purpose of regulating migration processes. The State Migration Management Policy Concept of the Republic of Azerbaijan, adopted in 2004, forms the basis of these actions and defines the main objectives to be achieved by the relevant governmental bodies.

In order to implement the State Migration Management Policy Concept and reach the objectives defined in this Concept, "The State Migration Program for 2006-2008 of the Republic of Azerbaijan" was approved by the Presidential Decree No. 1575, dated from 25 July 2006. The Program is aimed at creation of more appropriate system in the migration field. The Program sets up the following main directions: i) Improvement of management mechanisms in the field of migration; ii) Increase of efficiency of the state regulation in the field of migration; iii) Coordination of the activities of the relevant state bodies in the field of migration; iv) Improvement of the existing legislative basis; v) Introduction of quotas in the field of labour migration; vi) Implementation of complex measures to prevent illegal migration; vii) Cooperation with migration services of foreign countries and international organizations.

Currently, there are more than 20 laws and normative acts dealing with migration-related issues, adopted in the Republic of Azerbaijan, including, "Law on Immigration" and "Law on Labour Migration". Regarding the protection of the migrants' rights and freedoms, it should be noted that the Republic of Azerbaijan is a participant of the International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families. Azerbaijan

has also joined the Palermo Protocols related respectively to trafficking and smuggling of migrants.

However, there is no a state policy targeted at promoting circular migration including the mobility of skilled workers. The state policies are mainly directed to regulate immigration and to fight illegal migration.

In order to implement the state migration policy, to develop a migration management system and to co-ordinate the activities of relevant governmental bodies in the migration field, the State Migration Service within the Ministry of Internal Affairs was set up in March 2007.

The legal norms for measures undertaken in the field of the Diaspora were defined in 2002 under the law "State policy on Azerbaijanis living abroad" of the Azerbaijan Republic. To coordinate the work with the Azeri Diaspora, the President of Azerbaijan in 2002 signed the decree on the establishment of the State Committee on Affairs of Azerbaijani People Residing Abroad. In 2008, the Committee was renamed to the State Committee on Work with Diaspora. The Diaspora Committee arranges congresses of the Azeri Diaspora and closely cooperates with Diaspora organizations trying to involve them in the development of Azerbaijan. The government of Azerbaijan mostly tries to involve the Azeri Diaspora in foreign policy, to the process of the resolution of the Nagorno-Karabakh conflict. However, there is no clear and systematic state policy regulating all these issues.

#### 6.2. Encouragement of return migration and the support of integration of returnees

As it was already mentioned in chapter 2.1, the official net migration balance in Azerbaijan became positive in 2008, and there are some indications that this is also due to return migration.

On the other side, it is expected that the Agreement on Readmission between the European Union and Azerbaijan also will be an important step towards increasing (forced) return migration. The preparation of the agreement on Readmission between Azerbaijan and the European Union started in 2006 and negotiations are still ongoing. The EU member states are the second largest recipient of the Azerbaijani emigrants after the former Soviet Union. But the absence of a facilitated visa regime with the EU countries has a negative impact on the numbers wishing to migrate to this area (Alekperova, 2011). It is expected that once the agreement on readmission is signed, the Azerbaijani illegal migrants will return home. Thus, regarding the information of the Azerbaijan Migration Centre about 50,000 thousand Azerbaijani migrants live in European Countries as illegal migrants, out of them about 5,000 in Germany (Orujov, 2006). The migrants legally entered the EU and later applied for refugee status which was rejected (Garayeva, 2008).

Some international organizations (such as IOM and AWO<sup>48</sup>) take an active role in supporting migrants returning to Azerbaijan. For example, IOM assisted 107 and 182 Azerbaijani migrants to come back in 2000 and 2001 respectively. According to the registration form of IOM the majority were from Baku. The rest were IDPs who came from the Agdam, Kelbecer, Cebrayil and Fizuli regions and residents from the other 11 regions (IOM, 2001b, p. 28-30).

Unfortunately in Azerbaijan a deliberate policy to provide comprehensive assistance to returnees does not exist. IOM and AWO are the only non-governmental organisations, which assist migrants predominantly returning from EU countries, by covering their travel expenses and the costs of the preparation of the documents for repatriation, including legal services. If the immigrant is assisted by the AWO, then he gets a small amount of financial assistance to cover medical services and drug purchase and to improve living conditions in the first six months after the repatriation. Similar programs from the state structures do not exist.

-

<sup>&</sup>lt;sup>48</sup> AWO (Arbeiterwohlfahrt) is a charity organization established in 1919 in Germany. Its objective is to solve social problems of German society and to provide legal support. In the framework of one of its programs "Heimatgarten" they provide technical support to migrants residing in Germany who want to return home. With the support of this organization within the last 3 years about 30 migrants returned to Azerbaijan and their majority was employed in Germany during the stay in this country.

Another problem faced by migrants who returned home is unemployment. The interviews <sup>49</sup> conducted with repatriates from Germany by representatives of the Migration Resources Centre during 2006-2011 lead to the conclusion that the majority of people who returned are not able to find a job for a long period of time. There is no state program for these people. The research could not identify any aid or addressed support provided by the Azerbaijan Government to people who returned to Azerbaijan. As mentioned earlier (in section 3.1.) the government of Azerbaijan can successfully use the skills and expertise, which retuning migrants acquired in the countries of their destination. However, there is no state program on the labour market reintegration of migrants.

#### 6.3. Reintegration of IDPs and refugees

During the last 20 years, around 4.5 billion US dollars (3.3 billion Euro) was allocated in Azerbaijan for the improvement of living conditions of refugees and IDPs. Around USD 2.6 billion (1.91 billion Euro) out of this amount was paid from the state budget, USD 1 billion (0.73 billion Euro) from the State Oil Fund of the Republic of Azerbaijan (SOFAZ), and USD 0.9 billion (0.66 billion Euro) by international organisations (APA, 2011). According to the information from the official site of the State Committee on IDPs and Refugees, during the last 20 years about 100,000 refugees/IDPs have already been resettled in 67 new settlements. The process of the resettlement of refugees/IDPs, who are still living in hostels and halls of residence is planned to commence in 2012.

Since 2001, SOFAZ has allocated money for building housing and the improvement of socio-economic conditions of refugees and internally displaced persons who were forced to flee their native lands as a result of the Nagorno Karabakh conflict. The Fund's assets were utilized for building houses and constructing necessary infrastructure for the settlement of IDPs in Aghdam, Fuzuli, Bilasuvar, Goranboy, Sabirabad, Aghjabadi, Beylagan and Gabala regions. In addition, housing and social facilities were constructed for refugees and IDPs in different regions of Azerbaijan, including Shamkir, Aghstafa, Ismayilli, Oghuz, Shaki, Gadabay, Nakhchivan Autonomous Republic, Baku, Sumgait, Yevlakh and also in the districts of Absheron (mostly in Mehdiabad, Ramani, Pirshaghi, and Fatmayi districts). The new housing districts were supplied with energy, gas, and water supply systems were built in various regions of Azerbaijan. The total number of new houses built and handed over to IDPs stands at 17.709, besides additional multi-purpose administrative buildings (See: Table 6.3.).

Along with building houses, the government of Azerbaijan has also constructed necessary infrastructure for providing continuous access to water and sanitation services. According to Ali Hasanov, Chairman of the State Committee on IDPs and Refugees Affairs, only in 2010, around 18 artesian wells were drilled in IDP settlements. Besides, the government provided 65 million euros for communal services of IDPs. The government also provided 83 million euros as food allowances for IDPs in 2010 (Hasanov, 2011).

However, the government has been mostly concerned with improving housing conditions of IDPs, and governmental measures to integrate IDPs into the labour market are nearly missing. For example, in 2010, 3,985 IDPs were employed on a permanent basis, while 4,458 IDPs were employed temporarily (SCRIDPI, 2008). This is a very small number, if considered that Azerbaijan has around 700,000 IDPs. IDPs, as practice shows, rely on themselves to find jobs or launch their business. The official policy aims at the return and resettlement of the IDP to Nagorno-Karabakh and 7 districts around it in the long-term. It seems that full integration of IDPs into the Azerbaijani society is considered to create obstacles to their return.

Absence of hope, confidence and security are the main problems hindering the process of IDPs' return. The majority of Azerbaijani IDPs are ready for a voluntary return to their homes, in case their rights and freedom were ensured and their security guaranteed. To achieve this,

-

<sup>&</sup>lt;sup>49</sup> These interviews were conducted to the purpose of understanding the needed assessment of the repatriates and prepare the proposal for improving the living conditions and solving employment issues for this category of people.

they should be provided with detailed information on the material provisions, legal remedies, education, healthcare and other important areas of public life on the ground, in places where they will be returning to. This requires the creation of a more attractive and stable economic, social and legal conditions. An important condition of IDPs' return to their homes is the process of restitution of the land plots they had abandoned, of their property, their former estates, in short, an effective implementation of restitution policies. Unfortunately, the issue of restitution is not discussed among the Azerbaijani public, although some aspects of this policy, including the size of financial damage from the conflict as well as a rough estimate of rebuilding and rehabilitation costs are currently being studied.

#### 6.4. Development of net migration loss/gain regions

The government of Azerbaijan has several programs that target the development of the provinces of Azerbaijan, however without distinction between migration loss and gain regions. While all of the provinces, to varying degrees, are loss regions (with the exception of the capital city and Absheron region as two gain regions), the governmental policy of the development of provinces should be qualified as relevant.

Presidential Decree #854 of 20 February, 2003, opened the period of the implementation of the State Program on Poverty Reduction and Economic Development (SPPRED) in Azerbaijan. The first phase of the program embraced the period 2003-2005. Currently, the government implements SPPRED for the period 2008-2015, and one of the main aims is "ensuring balanced and pro-poor economic development...of income-generation opportunities, especially in the provinces and rural areas" (State Program on Poverty Reduction and Sustainable Development in the Republic of Azerbaijan for 2008-2015). Although, the SPPRED document argues that "as a result of the successful economic policies implemented last year [meaning 2007, because the document was approved in September 2008], overall macroeconomic stability has been maintained, sustainable economic growth ensured, development of entrepreneurship expanded, and job creation, especially in the regions has increased", information on the impact of the program on the inequalities between loss and gain migration regions is not provided. There is also no information on the specific quantitative and qualitative impact of state policies on migration dynamics in these regions.

There is a range of international donor projects on the development of economically disadvantaged regions. One of the latest ones was the Youth Economic Development program conducted in January 2010 by the Eurasia Partnership Foundation's (EPF) country office in Azerbaijan, in partnership and with the support from BP-Azerbaijan. The program focus was "the creation of economic and entrepreneurship opportunities for young people in rural areas of Azerbaijan through provision of capacity building and business trainings, and funding small economic development projects" (EPF, 2011). The project embraced regions of the Ganja-Gazakh economic zone. The project identified that the main needs of local rural population was small credits for starting their own business as well as trainings for gaining hands-on skills in services and trades (tailoring, hairdressing, etc.). The final program evaluation stressed the achievements in these spheres. As a result, the program beneficiaries indicated potentially positive effect of the program on curbing the outflow of people from villages. For instance, one of the respondents, a community leader from the Samukh region argued that "[The program] provides our youth with desirable jobs, provide them an opportunity to get employed in the village and not migrate for job to other locations" (EPF, 2011).

The bulk of the donor programs and projects focus on the agricultural development as a crucial component of the economic development of the Azerbaijani provinces. For instance, the World Bank implemented two Agricultural Development and Credit Projects (ADCP) in Azerbaijan. The second project (2006-2012) is due to close in February 2012. As the project summary argues, "the main objective is to further increase rural productivity and incomes by enhancing the access of farmers and small and medium rural enterprises to rural business and agricultural support services including financial, advisory and veterinary services and by stimulating market-oriented investments in rural areas" (World Bank 2010). The

implementation review shows robust performance (World Bank, 2011a), however without providing the analysis of performance on regional level.

Another example of the rural development project is the Azerbaijan Water Users Association Development Support Project (WUAP). While the lack of irrigation is one of the main obstacles for the development of agriculture in the provinces, to solve the problem, the Amelioration and Irrigation Open Joint Stock Company (AIOJSC) – the Government of Azerbaijan entity responsible for the irrigation and drainage sector – in association with Irrigation and Distribution System Management Improvement Project (IDSMIP) financed by the World Bank, registered and supported Water Users Associations (WUAs) throughout Azerbaijan's agricultural regions. WUAs should gradually become a self-governing organization, fuelled by enterprises and responsibility of local farmers. The project embraces all of the regions of Aran economic zone, as well as part of Daghlig Shirvan economic zone. The assistance to farmers in terms of irrigation could be a milestone in the development of disadvantaged regions. The project is ongoing and its results are yet to be analyzed through the prism of its economic effect on migration.

The assessment of the impact of these undertakings on the welfare of the regions, and on the migration rates could not been not undertaken due to missing data.

#### 6.5. Support to vulnerable groups related to migration

The government of Azerbaijan paid considerable attention to the problems of human trafficking and its prevention. Human trafficking is among the most significant problems that arose as part of the migration processes. On 13 May, 2003, the UN Convention against Transnational Organized Crime and its supplementary Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children was ratified by the Azerbaijani parliament and only at that time, the government officially acknowledged the existence of the crime of trafficking in human beings. Later, the parliament adopted the National Action Plan (NAP) of the Republic of Azerbaijan on the fight against trafficking in human beings and the establishment of a special police unit on the fight against trafficking under the Ministry of Internal Affairs on 6 May, 2004.

The European Convention on Action against Trafficking in Human Beings, adopted on 16 May, 2005 by the Council of Europe, is more comprehensive as it contains information on the mechanisms of the protection of victims, forms of cooperation between state and non-governmental organizations as well as procedures for the persecution of traffickers. The Government of Azerbaijan signed the Convention on 25 February, 2010.

A National Coordinator was appointed as responsible official to provide the institutional basis for the fight against human trafficking and the implementation of the NAP (National Action Plan). A working group of representatives from competent central executive powers was established to create a single mutual cooperation system of participants of the NAP and to provide the exchange of information among them.

The Anti-trafficking Unit of the Office for Organized Crime of the Ministry of Internal Affairs was established in 2004. It began to function as an independent agency in the ministerial structure in 2006. The Anti-trafficking Unit is a specialized structural body, involved into the prevention of human trafficking, fight against it, protection of victims of human trafficking as well as the defence of human and civil rights and freedoms from criminal attempts, in accordance with the Constitution and the laws of Azerbaijan. The Anti-trafficking Unit is carrying out operative and investigation activities. Along with the identification and protection of victims of trafficking in persons, it organizes task force activities and criminal prosecution of crimes related to trafficking in persons. A single specialized database was created by the Unit aimed at the registration and utilization of information collected during the investigation of cases related to trafficking in persons. The Anti-trafficking Unit is subordinated to the National Coordinator.

In January 2006 the Cabinet of Ministers adopted a decision on the approval of the "Regulations on Relief Fund for Victims of Human Trafficking". The Relief Fund for victims of

human trafficking is established and performs under the Ministry of Internal Affairs. The main purpose of the fund is to cover expenses of trafficked persons, to assist them and to finance other issues in connection with the social rehabilitation of victims within their authority. The fund participates in improvement of the social protection system for victims of human trafficking and in the realization of duties resulting from normative-legal acts in connection with social protection of victims of human trafficking. The fund keeps mutual cooperation with state authorities and non-governmental organizations and produces regular reports on its activities.

The "Rules of the National Referral Mechanism for victims of human trafficking" were prepared and approved by the Cabinet of Ministers of the Republic of Azerbaijan on 11 August, 2009. The primary objective of the NRM for victims of human trafficking is to create an effective system and to form rules for the protection of victims' rights, their referral to the relevant authorities, as well as their safety, repatriation and social rehabilitation. "Rules for the identification of victims of human trafficking (indicators)" were prepared and approved by the Cabinet of Ministers of the Republic of Azerbaijan on 3 September, 2009. The purpose of these rules is to identify victims more efficiently and to take urgent measures for ensuring their rights.

However, it should be underlined that while the legal framework is solid, the enforcement of it is still far from perfect, as noted by the "Trafficking in Humans Report 2010" (US Department of State, 2010). A more serious enforcement of otherwise solid anti-trafficking framework is desirable.

The Azerbaijani government does not have specific policies assisting migrant families, spouses, and children left in Azerbaijan. The Ministry of Labour and Social Protection of Population assists poor families via a targeted social assistance program. Therefore, the special problems of migrant families usually are unaddressed, no special state policies or measures applied.

### 7. KEY CHALLENGES AND POLICY SUGGESTIONS

#### 7.1. Key challenges of the social impact of emigration and internal migration

The rapid development of urban industry sector and the stagnation of traditional rural sector experienced in Azerbaijan in the 1990s caused the movement of rural population to developing urban centers, particularly to the oil-rich eastern part of the country. Consequently, the level of urbanization in Azerbaijan rapidly increased and is forecasted to continue in the coming years at a fast pace. However, urbanization in Azerbaijan is characterized by its mono-centric feature, i.e. Baku and the surrounding regions became the major migrant receiving areas. Urbanisation as well as internal displacement as a consequence to the Nagorno-Karabakh conflict led to an over-crowding of the capital city, leading to increasing competition in the capital's labour market, which in turn results in limited employment opportunities for the capital population and increasing poverty rates.

On the other side, the provinces and rural areas are left behind by predominantly young and qualified people, a the development that further worsens the age structure and the potential for economic development in these regions. One example is the decrease of the education level in net loss regions, because the potential teachers (and possibly other professionals, like doctors and lawyers, etc.) are not returning to their native regions after getting their education to replace retiring personnel in the provinces of the country.

Also, as mentioned previously, IDPs face substantial problems with employment and social integration, despite huge government spending on the provision of adequate settlement conditions and infrastructure. While the majority of IDPs lived previously in predominantly agricultural regions of Agdam, Fizuli, Jebrayil, Zengilan, Gubatly, Lachin, Kelbejer, Shusha, and mainly worked in the agricultural sector, they faced disadvantages on the labour market after displacement due to the lack of skills required for the jobs in urban areas.

When it comes to emigration, the main challenge is the high share of informal employment abroad. As a result, these Azerbaijani citizens are cut off from social protection – both currently and subsequently, because they will not be eligible for pensions and other benefits. Informal workers do not make payments to the social security systems – a situation that increases 'real' dependency rates and reduces the amount of public resources available for funding health, pensions and education services. The situation demands the creation of social security net designed for labour migrants to guarantee them pension on the one hand and avoid additional pressure on the existing pension system in Azerbaijan on the other.

When it comes to the migrants returning to Azerbaijan, there are no programs or even a policy to ensure their social and labour market reintegration. Specifically, the government of Azerbaijan does not provide any assistance for the returning migrants in terms of access to employment. As a result, the local market forfeits an opportunity to benefit from the skills and experiences of the highly qualified migrants. Migrants who accumulated capital abroad have different plans when they return to Azerbaijan. Some of them expect to run their small businesses efficiently in favourable conditions. For instance, there are no programs which aim at using the migrants' skills acquired abroad, supporting them to reintegrate into the domestic labour market and creating adequate business environment.

Although emigration also contributes to the alleviation of poverty through remittances, in particular in rural areas, these effects are only short-term and do not contribute to the sustainable economic development of the country.

#### 7.2. Policies to be taken by different actors

**National Government:** In view of the high share of labour migrants from Azerbaijan in Russia, it is crucial that both governments finalize their agreements on the social protection of migrant workers. In addition, the government of Azerbaijan should promote the conclusion of bilateral social security agreements with other countries, which are main destination countries of Azerbaijani migrants.

Azerbaijani migrants are in need of a significant support in two issues upon their return back home. The first issue is linked to the necessity of creating large-scale database on the employment opportunities for the returned migrants and the functioning of certain structures to this end. Though migrants also acquired specific skills in the field where they worked and improved their overall abilities, those who return to Azerbaijan suffer from inability to adapt to local society. The inability to find a job in short-term increases the probability that the migrant again will migrate.

The second issue is linked to the necessity of appropriate programs to facilitate the set-up of a personal business (for example, special loans and taxation systems, appropriate legal foundation). Migrants who accumulated capital abroad have different plans when they return to Azerbaijan. This type of people expects to run their small businesses efficiently in favourable conditions. In this regard there is a need for state programs to fulfil the need for rational application of these skills acquired abroad and to create business environment on basis of these attitudes. Such a program can include the provision of information on employment opportunities, special support services such as mediation and entrepreneurship training or the provision of credits for the returning migrants to start their own business.

Considering the determinants of internal migration in Azerbaijan and its consequences for the country, it is necessary that the government encourages de-urbanization processes. Measures contributing to prevention of further urbanisation may include the support to farmers in modernising their agricultural holdings, the implementation of regional infrastructure projects and provision of incentives for private investors to settle down in provinces.

Further, it is necessary to implement programs for the social, labour market and cultural integration of IDPs in the local community in new settlements, where they moved in the last 5 years. Despite the fact that new settlements have been built with the entire infrastructure,

meeting the highest standards, there is a need to create employment opportunities for the displaced people in the community, taking into account the skills of migrants and labour market needs in the region where they moved to. Raising the level of education and professionalism through specialized training courses would be a good start in this direction.

When it comes to the prevention of and fight against human trafficking, there is a need for the creation of one integrated anti-trafficking forum that would meet regularly under the guidance of the National Anti-THB Coordinator. At the moment there is only the Inter-Ministerial Council comprising governmental agencies, the NGO Coalition and separately the NGO network competing with each other and the international THB working group comprising OSCE, IOM, ILO and US Embassy - these need to merge into one group eventually.

Further, it is necessary to carry out the monitoring and evaluation of the activities of the National Action Plan Against Human Trafficking (2009-2013) in order to assess the impact and success of these activities. The duties and responsibilities of the stakeholders who carry out the evaluation should be clearly defined and national as well as international expert groups should be included in the process.

Labour migration remains to be a complex phenomenon and it proves the necessity of the implementation of a more comprehensive qualitative and qualitative research work in this field. The main purpose in carrying out of these research works is the efficient management of migration processes, as well as the acquisition of full and comprehensive information about this phenomenon and improvement of analytical skills. To this end, the State Statistics Committee, the Ministry of Labour and Social Protection of Population, the State Migration Committee and other executive powers have to improve the tools for collection of information in the field of labour migration and develop the capacity building on gaining access to comprehensive information sources and input of the gained information into national database.

**EU** initiatives: One of the biggest problems of the social protection of the Azerbaijani migrants is the predominantly irregular character of their employment in the destination countries. This in turn hampers the entrance of these migrants into legal space of social protection regulations. The main destination countries (Russian Federation, Turkey, the EU) should make their best to prevent illegal and informal employment of the Azerbaijani migrants. The government of Azerbaijan should assist the destination countries in this process.

**NGOs:** There is also a great need to wave a large-scale campaign to raise awareness on the risks of migration (especially illegal one) in the country. Conduction of such a campaign, with participation of state, non-governmental organizations and international organizations on a long-term basis is a pressing issue on the agenda.

**International Organizations:** All aforesaid issues evidence that coordination and cooperation among the bodies working in migration filed must be strengthened. This requires organization of a centralized coordination and establishment of separate working groups with active participation of all international organizations dealing with managing of migration processes in Azerbaijan.

### REFERENCES

Abazov, R. (2009): Current Trends in Migration in the Common Wealth of Independent States, UNDP Human Development Research Paper 2009/36.

ABC.AZ. (2011): Azerbaijanis in Russia to be able to get pension after legalization of all migrants, in: <a href="http://abc.az/rus/news/59021.html">http://abc.az/rus/news/59021.html</a>, retrieved on 1 November, 2011.

ADPRA (2005): *Nagorno-Karabakh Conflict* (in Azeri), Presidential Library of Administrative Department of the President of the Republic of Azerbaijan, <a href="http://files.preslib.az/site/karabakh/gl5.pdf">http://files.preslib.az/site/karabakh/gl5.pdf</a>, retrieved 1 February 2012.

Agro-Meslehet (2003): *Azerbaijan Country Paper/Land Policy Action plan*, Baku, <a href="http://www.aplr.org/conference/en/country\_papers/country\_paper\_azerbaijan\_eng.htm">http://www.aplr.org/conference/en/country\_papers/country\_paper\_azerbaijan\_eng.htm</a>, retrieved on 14 December 2011.

Akhnudov, A. (2011): The economic situation in Azerbaijan makes favourable conditions for increasing the number of migrants, <a href="http://az.trend.az/capital/business/1897821.html">http://az.trend.az/capital/business/1897821.html</a>, retrieved on 28 June 2011.

Alekperova, J. (2011): Znachitel'no sokratilos kolichestvo grajdan Azerbaydjana, jelayushix poluchit ubejische v stranax Zapada [The number of Azerbaijani citizens willing to obtain asylum in the Western countries has substantially decreased] (in Russian), "Echo" Newspaper, http://azeri.ru/papers/echo-az\_info/91007/, retrieved on 10 December 2011.

Aliyev N., Manafli, R. (2007): *To get to Russia* (in Russian), "Echo" Newspaper, <a href="http://www.echo-az.com/archive/2007\_01/1487/politica01.shtml">http://www.echo-az.com/archive/2007\_01/1487/politica01.shtml</a>, retrieved 16 January 2007.

Aliyev, A. (2006): Azerbaijan: Migrants and Migration, Short Summary, Baku (in Azeri).

Aliyev, A. (2006): *Migration to and from Azerbaijan*, in: Roger Rodriguez Rios (ed.), Migration Perspectives, Planning and Managing Labour, IOM.

Aliyev, A. (2011): Roma in Azerbaijan, in: www.azerros.ru, retrieved on 14 December 2011.

Aliyev, I. (2008): Rural-urban labour migration in Azerbaijan, ThesisStudy in partially fulfilment of the requirements for the degree of Master of Arts in Public Policy, Central European University, Budapest, www.etd.ceu.hu/2008/aliyev isa.pdf.

Allahveranov, A. (2002): *Migration situation in Azerbaijan. Central Asia and Caucasus* (in Russian), in: Journal "Central Asia and Caucasus", Institute for Central Asian and Caucasian Studies (Sweden), CA&CC Press AB Publishing House (Sweden), 2(1420), p. 198-208.

AMC (2009): Report about the summary of 2008 (in English), Azerbaijan Migration Centre, Baku, 2008.

APA (2011): During the last 20 years, 4,5 billion dollars spent on problems of IDP's and refugees, in: "Lent.az" Internet Portal - <a href="http://www.lent.az/news.php?id=71378">http://www.lent.az/news.php?id=71378</a>, retrieved on 22 July 2011.

Asian Development Bank (ADB) (2008): A Study on International Migrants' Remittances in Central Asia and South Caucasus, Country Report on Remittances of International Migrants and Poverty in Azerbaijan, Baku.

Azerbaijan Migration Centre (AMC) (2008): *Report about the summary of 2007* (in English), Azerbaijan Migration Centre, Baku, 2007

Chubrik, A., Walewski, M. (2010): Oil-led Economic Growth and the Distribution of Real Household Incomes and Consumption in Azerbaijan, CASE - Network Studies and Analyses No. 417/2010.

Day (2010): The process of IDPs' resettlement in the new townships will continue in Azerbaijan (in Russian), <a href="http://news.day.az/society/240054.html">http://news.day.az/society/240054.html</a>, retrieved on 25 November 2011.

De Waal,T. (2003): Black Garden: Armenia and Azerbaijan through Peace and War, University Press, New York.

EBRD (2011): Regional Economic Prospects in EBRD Countries of Operations, <a href="http://www.ebrd.com/downloads/news/rep0711.pdf">http://www.ebrd.com/downloads/news/rep0711.pdf</a> (retrieved on 25 August 2011).

Elmanoglu, S. (2009): Formation of Diaspora which serves national interest, in: "Azerbaijan", 10 November 2009.

Eurasia Partnership Foundation (EPF), BP (2011): Final Summative Evaluation of the Youth Economic Development Program, Baku.

Eurasianet (2001): Presence of Russian in former soviet republic decreases, in: Eurasianet, <a href="http://russian.eurasianet.org/departments/insight/articles/eav081501ru.shtml">http://russian.eurasianet.org/departments/insight/articles/eav081501ru.shtml</a> (in Russian), retrieved on 15 August 2001.

European Bank for Reconstruction and Development (EBRD) (2007): Azerbaijan National Public Opinion Survey on Remittances.

European Commission (ed.) (2011a): Social Protection and Social Inclusion in Azerbaijan, <a href="http://ec.europa.eu/social/main.jsp?catId=89&langId=en&newsId=1045&moreDocuments=yestableName=news">http://ec.europa.eu/social/main.jsp?catId=89&langId=en&newsId=1045&moreDocuments=yestableName=news</a> (retrieved on 25 August 2011).

European Commission (ed.) (2011b): Social Protection and Social Inclusion in Armenia, Azerbaijan and Georgia, Synthesis Report,

http://ec.europa.eu/social/main.jsp?catId=89&langId=en&newsId=1045&moreDocuments=yes&tableName=news (retrieved on 25 August 2011).

European Training Foundation (ETF) (2011): Labour Markets and Employability: Trends and Challenges in Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine

FANGOM (2003b): *Is marriage with foreign citizens a social order or tradition?* The results of the summary report, Baku.

FANGOM (2003c): Research of needs and demands of labour migrants and existing situation in the field, Final report on research outcomes, Baku.

FAO, IFAD (2008): *International migration, remittances and rural development*, http://www.ifad.org/pub/remittances/migration.pdf.

Farhadoglu, T. (2011): There are 450 thousand Foreigners and Stateless Persons in Azerbaijan (in Azerbaijani), <a href="http://www.voanews.com/azerbaijani/news/Azrbaycanda-450-min-cnbi-v-vtndal-olmayan-xs-var--119473459.html">http://www.voanews.com/azerbaijani/news/Azrbaycanda-450-min-cnbi-v-vtndal-olmayan-xs-var--119473459.html</a>, retrieved on 23 December 2011.

Farzaliyev, F. (2010): *Subway's Roma*, in: "Sherg" newspaper, March 8, 2010, http://www.sherg.az/2011/03/08/anons=2, retrieved on 14 December 2011.

Forum of Azerbaijan NGOs dealing with Migration (FANGOM) (2003a): *Exploring the needs and requirements of labour migrants and the existing condition in this field*, Final Report on the results of the research, Baku.

Garayeva, S. (2008): Return of lost countrymen? European Union establishes new standards on repatriation of illegal migrants, in: "Azerbaijani News" newspaper, No. 1153, 11 September 2008.

Government of Azerbaijan (2008): State Program on Poverty Reduction and Sustainable Development in the Republic of Azerbaijan for 2008-2015, Baku, <a href="http://www.cled.az/pdf/others/Azerbaijan%20Poverty%20Program%20for%202008-2015.pdf">http://www.cled.az/pdf/others/Azerbaijan%20Poverty%20Program%20for%202008-2015.pdf</a>, retrieved on 23 October 2011.

Habitat (1996): Agenda of the Second Habitat Conference in Istanbul (1996) (in Russian), <a href="http://www.un.org/russian/conferen/habitat/habch4a.htm">http://www.un.org/russian/conferen/habitat/habch4a.htm</a>, retrieved on 1 February 2012.

Hasanov, A. (2011): *The social problems of IDP's and refugees solved successfully*, in: "Azerbaijan" newspaper, 22 May 2011.

Helton, A. C. (1998): *Meskhetian Turks: Solutions and Human Security*, Open Society Institute, Forced Migration Projects, <a href="http://www.osi.hu/fmp/html/meskpreface.html">http://www.osi.hu/fmp/html/meskpreface.html</a>, retrieved on 1 November 2011.

Ibrahimkhalilov, R. (2007): *Migration flow to Azerbaijan is continuing*, in: "Echo" newspaper, No. 142 (1623), 8 August 2007.

ILO (2008): Determinants of labour exploitation and human trafficking in Azerbaijan: An exploratory overview.

ILO (2011): Presentation on Sub-regional Trade Union Conference on the role of trade unions in migration, Vermuyten, S., CTA Migration Project, Baku, 27-28 April 2011.

ILO, SSC (2004): Survey of the economic activity of the population of Azerbaijan, Baku.

Internal Displacement Monitoring Centre (IDMC) (2008): Azerbaijan: IDPs Still Trapped in Poverty and Dependence, Geneva.

International Crisis Group (2005): *Nagorno-Karabakh: viewing the conflict from the ground*, Europe Report No. 166.

Interstate Statistical Committee of the CIS (1998): *Population and living conditions in CIS:* 1991-1996, Statistics yearbook.

IOM (2001a): Away from Azerbaijan, Destination Europe. Study of Migration Motives, Routes and Methods, Bickley, C. (ed.), Geneva.

IOM (2001b): From motherland to foreign land: Motives, routes and methods of migration in Azerbaijan – Report on migration in Azerbaijan.

IOM (2002): Shattered dream – Report on human trafficking in Azerbaijan, Baku.

IOM (2003): Next Station. A research about the transit migration via Azerbaijan, Baku.

IOM (2008): Migration in Azerbaijan: Country Profile.

Krylova-Mueller, L. (2009): *Migration Processes in the South Caucasus: Azerbaijan, Armenia, Georgia. Results of Sociological Research.* 2008-2009, European Union, ENUT, PHDS, Taso Foundation.

Kuddo, A. (2009): Employment services and active labour market programs in Eastern European and Central Asian countries, Social Protection and Labour Unit: World Bank, <a href="http://siteresources.worldbank.org/SOCIALPROTECTION/Resources/SP-Discussion-papers/Labor-Market-DP/0918.pdf">http://siteresources.worldbank.org/SOCIALPROTECTION/Resources/SP-Discussion-papers/Labor-Market-DP/0918.pdf</a>, retrieved on 23 August 2011.

Loeber, R., Stouthamer-Loeber, M. (1986): Family Factors as Correlates and Predictors of Juvenile Conduct Problems and Delinquency, in: Crime & Justice, 29.

Mammadli, S. (2008): Good bye, Motherland, in: "Yeni Musavat" newspaper, 1 July 2008.

Mammadli, S. (2008): In quest for food, in: "Yeni Musavat" newspaper, 16 January 2008.

Mammadova, M., Kuliyeva, R. (2007): Characteristics of the demographic developments and trends in Azerbaijan (in Azerbaijani).

Milli.Az (2010): *The UN pledges further aid to Azerbaijan's IDPs* (in Azeri), http://www.milli.az/news/politics/11710.html, retrieved on 20 May 2010.

Ministry of Economic Development (MoED) (2011): Passports of economic regions.

MRC (2006). Press-release dedicated to the results of survey on skills acquired in abroad conducted by Migration Resource Centre dated from 29 December 2006.

Musayeva, G. (2011): The statistics of First June, in: "Musavat" newspaper, 1 June 2011.

Najafov I. (2011): From year to year the number of labor migrants in Azerbaijan rises (in Azeri), Ses Information Agency,

http://www.sia.az/index.php?action=static\_detail&static\_id=153540, retrieved on 21 June 2011.

Norwegian Refugee Council (NRC) (2003): Profile of Internal Displacement: Azerbaijan, Geneva.

Novosti Azerbaijan (2010): 455 cases of HIV-infection revealed in Azerbaijan last year, in: http://www.news.az/articles/8009, retrieved on 14 December 2011.

Orujov, R. (2006): Azerbaijan could face mass repatriation of migrants if the agreement on readmission is signed with a number of countries, in: "Echo" newspaper, No. 199 (1439), 31 October 2006.

Regional Development Centre in Azerbaijan (2009): *Socio-Economic Challenges in Regions: Achievements and Problems*, <a href="http://www.azregionaldevelopment.az/eng/projects/">http://www.azregionaldevelopment.az/eng/projects/</a>, retrieved on 14 September 2011.

SCRIDPI (2008): *The Employment problem* (in Azeri), State Committee on Refugees and IDPs Issues (SCRIDPI), <a href="http://www.refugees-idps-committee.gov.az/az/pages/25.html">http://www.refugees-idps-committee.gov.az/az/pages/25.html</a>, retrieved on 1 February 2012.

SCRRIDP (2010): The official Letter by the State Committee of the Republic of Azerbaijan on Deals of Refugees and Internally Displaced Persons addressed to the UNHCR Baku Office of 22 January 2010.

SSC (1995-2011): *Tourism: About the number of the arrived and departured citizens*, <a href="http://www.azstat.org/MESearch/details?lang=en&type=2&id=452&departament=19">http://www.azstat.org/MESearch/details?lang=en&type=2&id=452&departament=19</a>, retrieved on 15 August 2011.

SSC (1995-2012): Demographic indicators: Population of Azerbaijan, http://www.azstat.org/statinfo/demographic/en/AP\_/AP\_1.shtml, retrieved on 5 October 2011.

SSC (2001): National Accounts of Azerbaijan.

SSC (2003): Statistical data for 2003.

SSC (2004): *Estimation of poverty statistics in Azerbaijan*, retrieved from <a href="http://www.nscb.gov.ph/poverty/conference/papers/11azerbaijan.pdf">http://www.nscb.gov.ph/poverty/conference/papers/11azerbaijan.pdf</a>.

SSC (2008a): Azerbaijan Demographic and Health Survey 2006, Baku.

SSC (2008b): Household Budget Survey 2008.

SSC (2009): National Accounts of Azerbaijan.

SSC (2010a): Demographic Indicators of Azerbaijan.

SSC (2010b): Statistical Yearbook of Azerbaijan 2010.

SSC (2010c): Labour Market 2010.

SSC (2010d): Household Budget Survey 2010.

SSC (2010e): Report about the results of statistical sample survey on "Studying of migration processes".

SSC (2011): Labour Market 2011.

SSC (2011): *MDG indicators*, <a href="http://www.azstat.org/MDG/hir\_MIM.shtml">http://www.azstat.org/MDG/hir\_MIM.shtml</a>, retrieved on 12 September 2011.

State Committee of the Republic of Azerbaijan on Deals of Refugees and Internally Displaced Persons (2010): Letter addressed to the UNHCR Baku Office, 22 January 2010.

State Migration Service: Bilateral treaties and agreements,

http://migration.gov.az/index.php?section=007&subsection=023&lang=en.

State Oil Fund (SOFAZ), official website: http://www.oilfund.az/en/content/10/87.

State Program on Poverty Reduction and Economic Development (SPPRED) in Azerbaijan for 2008-2015:

http://www.cled.az/pdf/others/Azerbaijan%20Poverty%20Program%20for%202008-2015.pdf.

Administrative Department of the President of the Republic of Azerbaijan (2009): Socio-Economic Development of the, Administrative Department of the President of the Republic of Azerbaijan, <a href="http://files.preslib.az/projects/republic/en/azr3\_6.pdf">http://files.preslib.az/projects/republic/en/azr3\_6.pdf</a>, retrieved on 16 June 2011.

State Statistical Committee (SSC) of the Republic of Azerbaijan, official website: <a href="http://www.azstat.org/indexen.php">http://www.azstat.org/indexen.php</a>.

Tagiyev, T.(2009): Woman Crisis Centre says that the number of women among the people leaving the country is in increase, in: "Baku Khabar" newspaper, 15 June 2009.

Public Association for the "Protection of Rights of Migrants and Internally Displaced Persons in Azerbaijan" (2009): *Azerbaijan has the largest number of refugees and IDPs in Europe* (in Azerbaijani), <a href="http://azerbaijanfoundation.az/az/migdestiny/410-avropada-601n-231ox-ga231q305n-v601.html">http://azerbaijanfoundation.az/az/migdestiny/410-avropada-601n-231ox-ga231q305n-v601.html</a>, retrieved on 16 June 2011.

Tishkov, V. (1996). *Migratsiyi i noviye diaspory v postsovetskix stranax* [*Migrations and new diasporas in the post-Soviet states*] (in Russian), Russian Academy of Sciences Institute of Ethnology and Anthropology, Moscow.

Tyuryukanova, E. (2006): Forced Labour in the Russian Federation today: Irregular migration and trafficking in human beings, ILO, Geneva,

http://www.ilo.org/public/english/region/eurpro/moscow/info/publ/tur\_eng.pdf, retrieved on 13 September 2011.

UN (2005): *Trends in Total Migrant Stock: 2005 Revision*, UN Secretariat, Department of Economic and Social Affairs, Population Division, Geneva.

UN (2009): Report of the Committee on the Protection of the Rights of All Migrant Workers and Members of Their Families, New York.

Habitat (1996). *Agenda of the Second Habitat Conference in Istanbul* (in Russian). <a href="http://www.un.org/russian/conferen/habitat/habch4a.htm">http://www.un.org/russian/conferen/habitat/habch4a.htm</a>, 24 September 2011.

UNDP (1997): Azerbaijan Human Development Report 1997, Baku.

UNDP (1999): Azerbaijan Human Development Report 1999, Baku.

UNDP (2007): Azerbaijan Human Development Report 2007: Gender Attitudes in Azerbaijan: Trends and Challenges.

UNESCO (1997): *Technical and Vocational Education in Azerbaijan*, the International Project on Technical and Vocational Education (UNEVOC).

UNESCO (2004): The Protection of the Rights of Migrants Workers in the Countries of Central and Eastern Europe and the CIS and Perspectives of Joining the 1990 UN Convention, Series of Country Reports on the Ratification of the UN Convention on Migrants.

UNHCR (2003): International Protection Considerations Regarding Armenian Asylum-Seekers and Refugees, Geneva,

http://www.ecoi.net/file\_upload/470\_1162983398\_3f5f27d14.pdf, retrieved on 1 October 2011.

UNHCR (2009): Analyses of gaps in the protection of IDPs.

US Department of State (2010): *Trafficking in Persons Report 2010*, <a href="http://www.state.gov/g/tip/rls/tiprpt/2010/142759.htm">http://www.state.gov/g/tip/rls/tiprpt/2010/142759.htm</a>, retrieved on 14 December 2011.

Vienna Institute of Demography (2010): European Demographic Data Sheet 2010, <a href="http://www.oeaw.ac.at/vid/datasheet/download/European\_Demographic\_Data\_Sheet\_2010.p">http://www.oeaw.ac.at/vid/datasheet/download/European\_Demographic\_Data\_Sheet\_2010.p</a> df (retrieved on 19 December 2011).

World Bank. (1997): *Azerbaijan poverty assessment*, Report No. 15601-AZ, Washington, DC, USA: World Bank.

World Bank (2006): Social Capital and Employment Opportunities: Azerbaijan, Baku.

World Bank (2007): The Challenges of Knowledge Economy: The State of the Education System.

World Bank (2009): Azerbaijan – Country Economic Memorandum. A New Silk Road: Export-led Diversification.

World Bank (2010a): Azerbaijan Living Conditions Assessment Report.

World Bank (2010b): Azerbaijan Water Users Association Development Support Project (WUAP), Baku.

World Bank (2011a): *AGRICULTURAL DEVELOPMENT AND CREDIT PROJECT-II Azerbaijan Implementation Status and Results*, Baku, <a href="http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/ECA/2011/06/27/E87B0BE3">http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/ECA/2011/06/27/E87B0BE3</a> <a href="https://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/ECA/2011/06/27/E87B0BE3">https://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/ECA/2011/06/27/E87B0BE3</a> <a href="https://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/ECA/2011/06/27/E87B0BE3">https://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/ECA/2011/06/27/E87B0BE3</a> <a href="https://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/ECA/2011/06/27/E87B0BE3">https://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/ECA/2011/06/27/E87B0BE3</a> <a href="https://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/ECA/2011/06/27/E87B0BE3">https://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/ECA/2011/06/27/E87B0BE3</a> <a href="https://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/ECA/2011/06/27/E87B0BE3">https://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/ECA/2011/06/27/E87B0BE3</a> <a href="https://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/ECA/2011/06/27/E87B0BE3</a> <a href="https://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/ECA/2011/06/27/E87B0BE3</a> <a href="https://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/ECA/2011/06/27/E87B0BE3</a> <a href="https://www-wds.worldbank.org/external/default/WDSContentServer/WDSContentServer/WDSP/ECA/2011/06/27/E87B0BE3</a> <a href="https://www-wds.worldbank.org/external/default/WDSContentServer/WDSContentServer/WDSContentServer/WDSContentServer/WDSContentServer/WDSContentServer/WDSContentServer/WDSContentServer/WDSContentServer/WDSContentServer/WDSContentServer/WDSContentServer/WDSContentServer/WDSConten

World Bank (2011b): *Migration and Remittances Factbook*, www.worldbank.org/prospects/migrationandremittances.

Yunusov A., Bagdasarian, L. (2005): War, social change and 'no war, no peace' syndromes in Azerbaijani and Armenian societies. The limits of leadership: elites and societies in the Nagorny Karabakh peace process.

Yunusov, A. (2009): Migration processes in Azerbaijan, Adiloglu, Baku, 2009.

Yunusov, A. (2003): Labour emigration from Azerbaijan: strategy of integration to the labour market and risks (in Russian), <a href="http://migrocenter.ru/publ/trud">http://migrocenter.ru/publ/trud</a> m/06.php, published on website of the Migration Researches' Centre in 2003, retrieved on 1 February 2012.

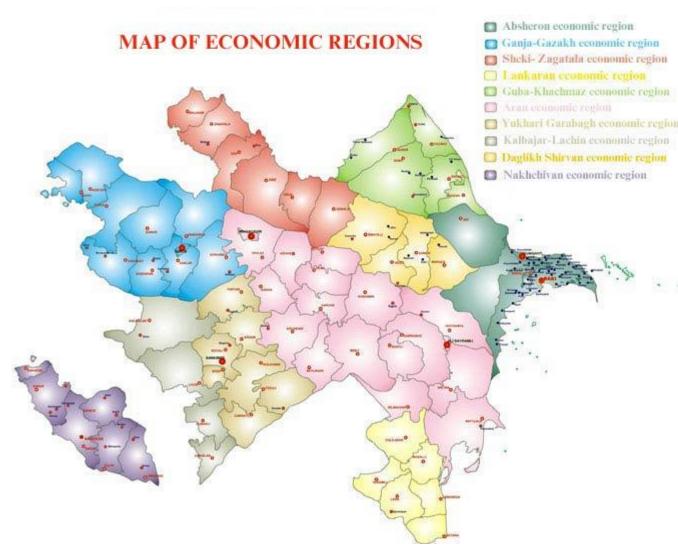
#### **ANNEX: MAPS, TABLES AND FIGURES**

Map 1. The Republic of Azerbaijan



Source: Azerbaijan International, <a href="http://azer.com/aiweb/graphics/maps/neighbors\_map.html">http://azer.com/aiweb/graphics/maps/neighbors\_map.html</a>, retrieved on 30 January 2012

#### Map 2. The Republic of Azerbaijan – Economic regions



#### Administrative and territorial units of Republic of Azerbaijan:

Autonomous Republic:	1
Districts:	66
Towns:	77
city districts:	13
settlements:	257
rural settlements:	4261

Source: Ministry of economic development,

http://www.economy.gov.az/eng/index.php?option=com\_content&view=article&id=172&Itemid=35, retrieved on 30 January 2012

Table 1.1. Azerbaijan (upper middle income country)

Population (millions, 2009)	8.8
Population growth (avg. annual %, 2000-09)	1.0
Population density (people per km², 2008)	105.0
Labor force (millions, 2008)	4.2
Urban population (% of pop., 2009)	52.1
Surface area (1,000 km <sup>2</sup> , 2008)	86.6
GNI (US\$ billions, 2009)	40.3
GNI per capita, Atlas method (US\$, 2009)	4,840
GDP growth (avg. annual %, 2005-09)	21.2
Age dependency ratio (2009)	44.7

Source: World Bank 2011b, www.worldbank.org/prospects/migrationandremittances

Table 2.1. Dynamics of migration flow (by ethnic groups), 1997-1999

	Migration flow to Russia				Migration flow to Azerbaijan			
	1997	1998	1999	1997-99	1997	1998	1999	1997-99
Azerbaijanis	14.560	11.372	8.955	34.887	2.662	2.415	2.498	7.575
Russians	8.304	5.065	2.803	16.172	732	646	551	1.929
Armenians	2.842	2.374	1.803	7.019	196	198	139	533
Lezgis	1.160	1.192	572	2.924	346	324	354	1.024
Tatars	753	447	272	1.472	90	73	46	209
Ukrainians	382	187	196	765		27	34	61
Avars	246		120	366			80	80
Jews	115	114	76	305		20	13	33
Other	1.516	1.459	1.105	4.080	276	212	132	620
Total	29.878	22.210	15.902	67.990	4.302	3.915	3.847	12.064

Source: State Committee of the Russian Federation on Statistics, 1998; IOM 2001a, b.

Table 2.2. International migration (thousand persons), 1990-2009

Years	Immigrated	Emigrated	Net	of w	hich:
	to the	from the	migration	urban	rural
	country for	country		places	places
	permanent	for			
	living	permanent			
		living			
		abroad			
1990	84.3	137.9	-53.6	-52.7	-0.9
1991	66.3	106.4	-40.1	-39.4	-0.7
1992	35.7	49.9	-14.2	-13.8	-0.4
1993	16.3	28.5	-12.2	-11.9	-0.3
1994	8.6	19.6	-11.0	-10.8	-0.2
1995	6.2	16.0	-9.8	-9.5	-0.3
1996	5.8	13.2	-7.4	-7.2	-0.2
1997	7.5	15.7	-8.2	-8.1	-0.1
1998	5.4	10.5	-5.1	-5.0	-0.1
1999	4.8	9.1	-4.3	-3.5	-0.8
2000	4.4	9.9	-5.5	-5.0	-0.5
2001	2.6	7.3	-4.7	-3.6	-1.1
2002	1.2	4.3	-3.1	-2.0	-1.1
2003	2.5	3.8	-1.3	-1.6	0.3
2004	2.4	2.8	-0.4	-0.7	0.3
2005	2.0	2.9	-0.9	-0.6	-0.3
2006	2.2	2.6	-0.4	-1.9	1.5
2007	2.0	3.1	-1.1	-1.4	0.3
2008	3.6	2.5	1.1	0.5	0.6
2009	2.3	1.4	0.9	0.1	0.8

Source: SSC, http://www.azstat.org/statinfo/demographic/en/050.shtml#s1

Table 2.3. Number of citizens visited and left Republic of Azerbaijan, 2004-2008

						2008 in comparison with 2007, percentage
	2004	2005	2006	2007	2008	
Total number of citizens visited and left Republic of Azerbaijan	5528570	6247237	6096490	5874533	8041933	136.9
Azerbaijani citizens	3052023	3703408	3575951	3231641	4259851	131.8
Foreign citizens	2476547	2543829	2520539	2642892	3782082	143.1
Total number of visitors in Azerbaijan	2857905	3155786	3001984	2932994	3996418	136.2
Azerbaijani citizens	1578527	1873643	1740023	1600293	2097479	131.1
Foreign citizens	1279378	1282143	1261961	1332701	1898939	142.5
Total number of left Azerbaijan	2670665	3091451	3094506	2941539	4045515	137.5
Azerbaijani citizens	1473496	1829765	1835928	1631348	2162372	132.5
Foreign citizens	1197169	1261686	1258578	1310191	1883143	143.7

Source: SSC, http://www.azstat.org/MESearch/details?lang=en&type=2&id=452&departament=19

Table 2.4. Number of persons immigrated to Azerbaijan (2000-2009)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
Immigrated to	4361	2574	1257	2500	2407	2013	2232	1954	3597	2292	25187
Azerbaijan -											
Total											
Including:											
From CIS	4233	2477	1202	2452	2334	1963	2207	1915	3188	2217	24188
countries											
Russia	2710	1677	782	1656	1466	1158	1394	1269	2024	1580	15716
Federation											
Ukraine	291	177	86	165	160	104	127	105	174	130	1519
Belarus	29	7	9	19	21	10	28	33	63	40	259
Uzbekistan	142	82	42	109	110	80	111	77	96	70	919
Kazakhstan	150	107	44	96	116	78	94	92	196	157	1130
Georgia	307	210	135	204	300	379	238	158	403	68	2402
Moldova	2	9	4	7	7	2	12	2	9	0	54
Kyrgyzstan	35	22	9	15	5	12	12	10	11	18	149
Tajikistan	6	8	7	15	5	6	7	2	4	0	60
Turkmenistan	175	151	68	162	138	115	171	159	204	154	1497
Other countries	386	27	16	4	6	19	13	8	4	0	483
Other than CIS	130	106	59	55	80	52	37	41	418	75	1053
countries											
Germany	2	6	-	1	2	-	-	-	7	2	20
USA	5	7	1	-	-	1	1	6	4	6	31
Israel	25	9	4	1	8	5	1	8	2	6	69
Iran	44	30	16	12	22	13	4	7	32	6	186
Turkey	17	19	21	13	22	13	7	8	267	38	425
Estonia	-	1	1	-	-	1	1	2	4	2	12
Lithuania	16	1	1	-	8	5	4	1	-	5	41
Latvia	1	7	1	7	7	5	4	1	2	2	37
Pakistan	1	3	3	5	2	3	-	-	22	-	39
Maldives	2	9	4	7	7	2	12	2	9	6	60
China	-	-	-	-	-	-	-	-	44		44
South Korea	-	-	-	-	-	-	-	2	6		8
North Korea	-	-	-	-	-	-	-	-	5		5
India	-	-	-	1	1	-	-	-	4		6
UK	-	-	-	1	1	-	-	2	-		4
Other foreign	17	14	7	7	-	4	3	2	10	2	66
countries											

Source: SSC, http://www.azstat.org/statinfo/demographic/en/050.shtml#s1

Table 2.5. Number of emigrants from Azerbaijan (2000-2009)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
Emigrated	9947	7288	4320	3754	2800	2906	2644	3083	2530	1373	40774
from											
Azerbaijan -											
Total											
Including:											
To CIS	9517	7004	4224	3633	2690	2856	2608	3031	2458	1340	39361
countries											
Russia	8393	6230	3691	3140	2285	2495	2160	2620	2028	983	34025
Federation											
Ukraine	513	339	221	181	152	102	162	120	97	83	1970
Belarus	148	118	88	95	80	88	101	116	98	20	952
Uzbekistan	46	32	18	13	12	7	8	5	12	11	164
Kazakhstan	174	170	125	149	121	138	153	152	201	229	1612
Georgia	97	53	37	10	20	7	10	6	13	5	258
Moldova	7	5	8	6	9	9	3	2	2	-	51
Kyrgyzstan	31	16	15	25	2	4	4	4	1	1	103
Tajikistan	3	1	-	1	1	1	1	-	-	-	8
Turkmenistan	63	40	21	13	8	5	6	6	6	8	176
Other	42	-	-	-	-	-	-	-	-	-	42
countries											
Other than CIS	479	289	109	134	124	62	41	56	86	33	1413
countries											
Germany	62	110	40	46	32	9	4	13	8	8	332
USA	103	42	8	18	34	19	10	17	21	6	278
Israel	199	88	29	31	16	14	7	5	12	4	405
Iran	24	2	-	3	-	-	1	1	-	-	31
Turkey	23	14	3	6	11	4	8	2	7	7	85
Estonia	1	1	2	-	1	-	-		-	-	5
Lithuania	2	3	3	1	6	-	-	8	1	3	27
Latvia	1	-	-	-	-	-	1	1	1	-	4
Poland	-	1	-	-	-	-	-	-	-	-	1
Greece	3	-	-	-	-	-	-	-	3	-	6
Maldives	7	5	8	6	9	9	3	2	2	-	51
North Korea	-	-	-	1	-	-	-	-	-		1
Canada	-	-	5	3	3	3	1	2	10	-	27
UK	_	_	-	3	2	-	1	-	2	_	8
Other foreign	54	23	11	16	10	4	5	5	19	5	152
countries	~ .										
Courses CCC burney		-4-4/	atatiofa/	Ļ	·	050 -64-		1	1	1	l

Source: SSC, http://www.azstat.org/statinfo/demographic/en/050.shtml#s1

Table 2.6. Citizens from Azerbaijan who acquired permanent residence permit in 1991-1997 in foreign countries except CIS and Balitcs, 1991-1997

Toroigh countries except old und Bullos, 1991 1991											
	1991	1992	1993	1994	1995	1996	1997				
Israel	4578	1873	1640	1746	1688	1253					
The United States	1873	964	699	711	570	445					
Germany	6	27	15	53	74	407					
Other countries	46	55	36	43	16	15					
Total:	6503	2919	2390	2553	2348	2120	1900				

Source: Interstate Statistical Committee of the CIS, 1991-1996

Table 2.7. Several macro-economic indicators of post soviet countries

Country	Average salary by March 2007 (in USD dollars)	Number of unemployed for 1 vacant position by January 2006	Human potential development index by 2007**
Russia	484	2,6	0,817 (68th place)
Kazakhstan	391	5,1	0,804 (82nd place)
Belorussia	308	2	0,826 (71st place)
Ukraine	244	4,3	0,796 (85th place)
Turkmenistan	40**		0,739 (109th place)
Armenia	201	107,1	0,798 (84th place)
Azerbaijan	146	6	0,787 (86th place)
Georgia	50*	34,6	0,778 (89th place)
Moldova	149	4,5	0,720 (117th place)
Kyrgyzstan	89	23,5	0,710 (120th place)
Uzbekistan	60*		0,710 (119th place)
Tajikistan	49	4,6	0,688 (127th place)

**Source**: UNDP, International Human Development Indicators, <a href="http://hdr.undp.org/en/statistics/">http://hdr.undp.org/en/statistics/</a>; Interstate Statistical Committee of the CIS, <a href="http://www.cisstat.com/">http://www.cisstat.com/</a>

Table 2.8. Population (in thousands), 1990-2010

Years	Total	Annu	al	Numl	per of	Share o	of (in %)
	number	increa	se	popula	ition in		
	(000	000	%	urban	rural	urban	rural
	persons)	person		area	area	population	population
1990	7131.9	86.6	1.2	3847.3	3284.6	53.9	46.1
1991	7218.5	105.6	1.5	3858.3	3360.2	53.5	46.5
1992	7324.1	115.9	1.6	3884.4	3439.7	53.0	47.0
1993	7440.0	109.6	1.5	3928.5	3511.5	52.8	47.2
1994	7549.6	93.9	1.2	3970.9	3578.7	52.6	47.4
1995	7643.5	82.7	1.1	4005.6	3637.9	52.4	47.6
1996	7726.2	73.6	1.0	4034.5	3691.7	52.2	47.8
1997	7799.8	76.9	1.0	4057.8	3742.0	52.0	48.0
1998	7876.7	76.7	1.0	4082.5	3794.2	51.8	48.2
1999	7953.4	79.4	0.8	4064.3	3889.1	51.1	48.9
2000	8032.8	81.5	1.0	4116.4	3916.4	51.2	48.8
2001	8114.3	77.0	0.9	4167.2	3947.1	51.4	48.6
2002	8191.3	77.8	0.9	4219.7	3971.6	51.5	48.5
2003	8269.1	79.9	1.0	4273.7	3995.4	51.7	48.3
2004	8349.0	98.3	1.2	4403.6	3945.4	52.7	47.3
2005	8447.3	105.7	1.3	4477.6	3969.7	53.0	47.0
2006	8553.0	112.9	1.3	4565.7	3987.3	53.4	46.6
2007	8665.9	113.9	1.3	4636.6	4029.3	53.5	46.5
2008	8779.8	117.1	1.3	4733.6	4046.2	53.9	46.1
2009	8896.9	100.5	1.1	4818.3	4078.6	54.2	45.8
2010	8997.4	-	-	4866.6	4130.8	54.1	45.9

**Source**: SSC website (Enter <a href="http://www.azstat.org/statinfo/demographic/en/AP/AP 1.shtml">http://www.azstat.org/statinfo/demographic/en/AP/AP 1.shtml</a> Then proceed to section "Population")

Table 2.9. Population (in thousands) by ethnic groups (according to the census)

	Thousar	nd		The percentage of the overall population			
	1979	1989	1999	1979	1989	1999	
Total	6026.5	7021.2	7953.4	100.0	100.0	100.0	
residents							
Including:							
Azerbaijanis	4708.8	5805.0	7205.5	78.1	82.7	90.6	
Lezgis	158.1	171.4	178.0	2.6	2.4	2.2	
Russians	475.3	392.3	141.7	7.9	5.6	1.8	
Armenians	475.5	390.5	120.7	7.9	5.6	1.5	
Talishs		21.2	76.8		0.3	1.0	
Avars	36.0	44.1	50.9	0.6	0.6	0.6	
Turks	7.9	17.7	43.4	0.1	0.2	0.5	
Tatars	31.4	28.6	30.0	0.5	0.4	0.4	
Ukranians	26.4	32.3	29.0	0.4	0.5	0.4	
Sakhurs	8.5	13.3	15.9	0.1	0.2	0.2	
Georgians	11.4	14.2	14.9	0.2	0.2	0.2	
Kurds	5.7	12.2	13.1	0.1	0.2	0.2	
Tats	8.8	10.2	10.9	0.2	0.2	0.13	
Jews	35.5	30.8	8.9	0.6	0.4	0.1	
Udins	5.8	6.1	4.1	0.1	0.1	0.05	
Other	31.4	31.3	9.6	0.6	0.4	0.12	
nationalities							

Source: SSC, http://www.azstat.org/statinfo/demographic/az/1 4.shtml

Table 2.10. Migrants by sex and age structure in 2009

Years	Imm	nigrated	to the	Emigrated from the			
	countr		rmanent	country for permanent			
		living		living			
	Total	Male	Female	Total	Male	Female	
Urban and r	ural pla	ces - to	tal				
	Urb	an and	rural place	es - tota	l		
Total	2292	1477	815	1373	617	756	
of which by	age gro	ups:					
0-4	27	13	14	30	13	17	
5-9	33	13	20	57	38	19	
10-14	60	35	25	55	29	26	
15-19	75	30	45	69	24	45	
20-24	143	44	99	153	55	98	
25-29	149	76	73	198	76	122	
30-34	204	103	101	183	74	109	
35-39	414	296	118	173	81	92	
40-44	420	317	103	168	82	86	
45-49	371	276	95	96	57	39	
50-54	209	144	65	54	37	17	
55-59	92	68	24	48	21	27	
60-69	63	46	17	35	12	23	
70-79	27	14	13	44	14	30	
80 and	5	2	3	10	4	6	
over							
By age grou	ps:						
Under	120	61	59	142	80	62	
working							
age							
at working	2068	1359	709	1124	511	613	
age							

					V I/201	0/001
Above	104	57	47	107	26	81
working						
age						
			an places			
Total	902	574	328	789	341	448
of which by						
0-4	13	3	10	10	4	6
5-9	8	2	6	28	18	10
10-14	13	8	5	23	14	9
15-19	30	8	22	35	11	24
20-24	55	17	38	77	23	54
25-29	65	40	25	102	36	66
30-34	98	48	50	100	41	59
35-39	152	105	47	91	47	44
40-44	146	109	37	95	42	53
45-49	152	114	38	63	32	31
50-54	87	59	28	45	31	14
55-59	48	36	12	43	17	26
60-69	22	17	5	31	8	23
70-79	13	8	5	38	13	25
80 and over	-	-	-	8	4	4
By age grou	IDS:					
Under	34	13	21	61	36	25
working		.0		0.		
age						
at working	827	536	291	633	283	350
age	0		_0.			
Above	41	25	16	95	22	73
working						
age						
		Rur	al places			
Total	1390	903	487	584	276	308
of which by	age gro	ups				
0-4	14	10	4	20	9	11
5-9	25	11	14	29	20	9
10-14	47	27	20	32	15	17
15-19	45	22	23	34	13	21
20-24	88	27	61	76	32	44
25-29	84	36	48	96	40	56
30-34	106	55	51	83	33	50
35-39	262	191	71	82	34	48
40-44	274	208	66	73	40	33
45-49	219	162	57	33	25	8
50-54	122	85	37	9	6	3
55-59	44	32	12	5	4	1
60-69	41	29	12	4	4	-
70-79	14	6	8	6	1	5
80 and	5	2	3	2	-	2
over						
By age grou	ips.				4.4	37
Under	86	48	38	81	44	51
	1	48	38	81	44	37
Under working age	86					
Under working	1	48 823	38 418	491	228	263
Under working age at working age	86 1241	823	418	491		263
Under working age at working age Above	86					
Under working age at working age	86 1241	823	418	491	228	263

Source: SSC, http://www.azstat.org/statinfo/demographic/en/052.shtml#s3

Table 3.1. Labour force, 000 person

	1990	1995	2000	2003	2004	2005	2006	2007	2008	2009	2010
Labour resources	4 015	4 228	4 686	4 923	5 021	5 421	5 569	5 702	5 817	5 916	6 015
Economically active population		3 641	3 748	4 148	4 158	4 187	4 297	4 336	4 374	4 378	4 587
Employed in economy	3 703	3 613	3 705	3 747	3 809	3 869	4 006	4 055	4 111	4 118	4 329
Unemployed*, total		28,3	43,7	400,9	348,7	317,8	291,2	281,1	262,2	260,2	258,3
male		11,4	19,3	206,2	179,8	164,1	157,0	163,9	142,4	114,2	102,3
female		16,9	24,5	194,7	168,9	153,7	134,2	117,2	119,8	146,0	156,0
Unemployment rate, in %				9,7	8,4	7,6	6,8	6,5	6,0	5,9	5,6

<sup>\*-</sup> Until, 2003 only unemployed people receiving official status in Employment Service, since 2003 total unemployed based on ILO methodology

**Source**: SSC, 2011

Table 3.2. Distribution of Employed Population by Economic Sectors

	1991	2000	2005	2010
Total employment (1000)	3732	3705	3869	4329
Industry (% of total				
employment)	12	7	8	7
Agriculture	32	41	39	40
Construction	7	4	5	7
Services	49	48	48	47

Source: SSC, 2011

Table 3.3. Remittances

US\$ millions	2003	2004	2005	2006	2007	2008	2009	2010(est.)
Inward remittance flows <sup>a</sup>	171	228	693	813	1,287	1,554	1,274	1,472
of which:								
Workers' remittances	154	191	490	662	1,192	1,416	1,182	1338 <sup>b</sup>
Compensation of employees	2	12	133	128	76	102	73	-
Migrants' transfers	15	24	70	22	20	36	19	-
Outward remittance flows	169	200	269	301	435	593	652	-
of which:								
Workers' remittances	78	65	127	149	273	399	522	840 <sup>b</sup>
Compensation of employees	54	108	112	125	131	168	116	-
Migrants' transfers	38	28	29	26	31	25	14	-

a. For comparison: net ODA received US\$0.2bn, total international reserves US\$6.5bn, exports of goods and services US\$32.0 bn in 2008.

**Source**: World Bank 2011b, <u>www.worldbank.org/prospects/migrationandremittances</u>

b. 2010, Source: BoP, The Central Bank of the Republic of Azerbaijan

Table 3.4. Income structure by income quintiles, in % - 2010

	Income quintiles											
	1	2	3	4	5							
Total income	100,0	100,0	100,0	100,0	100,0							
Income from employment	27.9	27.7	32.6	38.6	39.4							
Income from self employment	24.8	26.4	25.2	24.4	25.1							
Income from selling agricultural												
products	16.7	15.9	14.7	13.1	12.1							
Income from rent	0.1	0.7	0.7	1.1	1.3							
Income from property	0.1	0.1	0.1	0.3	0.4							
Current transfers received	19.4	18.4	17.0	14.1	11.4							
Income from other households	9.8	8.9	7.2	6.2	6.1							
remittances from abroad	1.2	2.0	2.4	2.2	4.0							

Source: SSC, 2010d

Table .3.5. Household survey on Remittances and Poverty - Poverty and Income Inequality among Sample Household Members

	Poverty Ind	cidence, %	Extreme F Incidend	•	Poverty Ga	Gini Coefficient					
	US\$ 3 per day	US\$ 4 per day	US\$ 1 per day	US\$ 2 per day	US\$ 2 per day	US\$ 4 per day	N				
When remittances are included in total income of remittance-receiving HHs											
Country	13.1	36.8	0.7	3.3	0.9	8.3	0.32				
Baku	7.5	21.3	0.6	1.3	0.5	4.6	0.34				
Other urban areas	13.1	42.5	0.5	3.7	0.9	9.0	0.26				
Rural areas	16.1	42.5	0.7	4.3	1.1	10.0	0.29				
V	Vhen remitta	nces are exc	cluded from total	income of rei	mittance-receiv	ring HHs					
Country	16.7	41.3	2.2	5.8	2.5	10.8	0.31				
Baku	9.3	23.7	1.4	2.6	1.4	5.8	0.34				
Other urban areas	17.5	47.5	2.6	7.1	3.0	12.2	0.27				
Rural areas	20.3	47.9	2.5	6.9	2.8	12.9	0.28				

Source: ADB, 2008

Table 4.1. Net migration loss / gain regions (1999-2009)

Economic regions	Number of p	•	Natural increase of population	Net migration	Net migration rate, in %	Territory, thsd.km <sup>2</sup>	Increase of population density -per
LCOHOTHIC Tegions	1999	2009	1999-2009		,		km2, in %
		000	person				
Baku city	1788,9	2046,1	152,0	105,2	5,14	2,13	14,4
Absheron	378,1	514,2	35,8	100,3	19,51	3,29	36,0
Ganja-Gazakh	1114,8	1205	96,8	-6,6	-0,54	12,48	8,1
Shaki-Zagatala	518,7	565,9	48,1	-0,9	-0,16	8,96	9,1
Lankaran	730,5	823,9	104,6	-11,2	-1,36	6,07	12,8
Guba-Khachmaz	441,6	488,3	48,2	-1,5	-0,31	6,96	10,6
Aran	1701,7	1885	198,6	-15,3	-0,81	21,43	10,8
Dakhlik Shirvan	249,3	281,2	34,5	-2,6	-0,91	6,06	12,8
Nakhchivan Autonomic Republic	354,1	398,4	42,5	1,8	0,44	5,5	12,5
Total country	7953,4	8922,3				86,6	12,2

Source: SSC, 2010a and own calculations

Table 4.2. Employees by economic regions, 2000 = 100

	2000	2003	2004	2005	2006	2007	2008	2009	2010
Baku city	100	98,9	106,2	105,4	109,8	113,6	118,0	115,6	114,5
Absheron	100	96,4	96,6	102,4	105,4	114,8	117,8	113,8	113,5
Ganja-Gazakh	100	110,9	103,8	108,0	109,1	110,0	110,0	107,3	106,8
Shaki-Zagatala	100	106,1	97,9	104,9	105,0	105,9	106,5	104,6	104,4
Lankaran	100	110,4	112,3	117,9	118,4	119,4	121,4	120,1	117,2
Guba-Khachmaz	100	116,5	112,8	122,5	122,8	125,8	126,5	125,5	123,5
Aran	100	98,8	102,5	108,4	109,6	112,2	112,2	109,6	107,1
Yukhari Karabakh	100	80,5	78,9	87,5	88,4	90,7	91,3	91,1	90,3
Kalbajar-Lachin	100	75,2	80,8	85,0	85,9	86,8	89,3	89,7	88,5
Dakhlik Shirvan	100	110,0	114,7	117,7	119,5	118,2	118,6	116,9	115,6
Nakhchivan Autonomic Republic	100	102,7	115,3	119,3	135,0	140,1	154,5	158,5	185,4
Total country	100	100,7	103,8	106,8	109,8	113,0	115,8	113,8	113,6

Source: SSC, 2011

Table 4.3. Average monthly nominal wages and salaries of employees by economic regions, in AZN

	2000	2003	2004	2005	2006	2007	2008	2009	2010
Baku city	60	105,7	152,5	194,1	236,3	322,8	396,5	429,8	474,8
Absheron	33,9	42,7	63,3	76,6	101,9	154	198,9	199,3	246
Ganja-Gazakh	26,2	35	54	69,7	86,1	128,7	171,2	190,3	213,2
Shaki-Zagatala	21,2	30,5	50	65,3	80,1	120,6	155,5	171,7	195,2
Lankaran	25,1	33,4	55,3	69,3	85,5	130,3	173,9	190,7	218,1
Guba-Khachmaz	29,8	39,9	60,9	78,1	97,6	145	189,5	204,9	231,6
Aran	28,4	42,9	61,6	76,1	92,7	138	178,2	191,5	213,5
Yukhari Karabakh	28,3	38	58,8	55,8	78	111,5	159,1	184,7	193,1
Kalbajar-Lachin	25,9	40,5	54,7	60,4	80,8	134,4	189,1	201,2	225,1
Dakhlik Shirvan	26,1	34,7	53,9	67,5	83,5	129,4	172,8	186,2	209,3
Nakhchivan Autonomic Republic	29,2	38,7	56,4	77,2	104,7	151,5	233,4	256,1	304,7
Total country	44,3	77,4	99,4	123,6	149	215,8	274,4	298	331,5

Source: SSC, 2011

Table 4.4. Number of unemployed people received official status in Employment Service, person

	2000	2003	2004	2005	2006	2007	2008	2009	2010
Baku city	4930	8196	9269	9828	9634	10513	11169	12407	12528
Absheron	406	946	1057	1091	902	892	958	1012	898
Ganja-Gazakh	3808	3859	3729	3636	3677	3604	3518	2947	2730
Shaki-Zagatala	2552	3200	3094	2968	2647	2344	2095	1591	1392
Lankaran	2443	2440	2454	2360	2148	1947	1736	1401	1252
Guba-Khachmaz	1668	1504	1481	1489	1436	1409	1434	1156	1111
Aran	11108	13716	14004	13984	13478	12846	12356	11465	11058
Yukhari Karabakh	6501	7159	7197	7083	6549	5717	5252	4869	4467
Kalbajar-Lachin	3317	4101	4079	4043	3834	3776	3745	2397	1930
Dakhlik Shirvan	1194	1960	1844	1957	1925	2005	2026	1800	1548
Nakhchivan Autonomic	5812	7284	7737	7904	7632	5598	192	55	52
Republic									
Total country	43739	54365	55945	56343	53862	50651	44481	41100	38966

Source: SSC, 2011

Table 4.5. Income structure by economic regions in 2008 (%)

	Baku city	Absheron	Ganja- Gazakh	Shaki- Zagatala	Lankaran	Guba- Khachmaz	Aran	Yukhari Karabakh	Kalbajar- Lachin	Dakhlik Shirvan	Nakhchivan Autonomic Republic
Total income	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,1	100,0	100,0	100,0
Income from employment	54,0	48,0	21,0	21,3	26,2	21,4	23,4	24,2	22,7	20,9	36,1
Income from self employment	22,7	20,4	26,1	24,6	22,1	30,5	26,4	9,0	29,4	40,2	14,7
Income from selling agricultural products	2,2	1,5	23,2	25,5	21,7	25,0	20,6	21,0	0,4	16,1	33,1
Income from rent	1,6	0,9	1,2	0,9	1,1	0,2	0,6	0,2	0,1	1,3	0,3
Income from property	0,3	0,8	0,4	0,4	0,2	0,1	0,2	0,0	0,1	0,5	0,0
Current transfers received	10,5	13,6	15,4	15,7	16,5	15,3	16,6	34,9	38,5	12,5	11,2
pensions	9,1	11,3	14,7	15,3	15,5	14,9	13,7	18,0	18,0	12,5	10,1
benefits and social contributions	1,0	2,1	0,7	0,3	0,9	0,2	1,9	9,7	9,1	0,1	1,0
social transfers in kind	0,4	0,2	0,0	0,1	0,1	0,2	1,0	7,2	11,4	0,0	0,1
Income from other households	5,8	13,0	8,8	9,3	8,3	7,0	9,4	10,1	7,1	6,8	4,3
remittances from abroad	2,8	1,8	3,9	2,3	3,9	0,5	2,8	0,7	1,7	1,7	0,4

Source: SSC, 2011

Table 4.6. Income structure by economic regions in 2010 (%)

			ı						ı		1
	Baku city	Absheron	Ganja-Gazakh	Shaki-Zagatala	Lankaran	Guba-Khachmaz	Aran	Yukhari Karabakh	Kalbajar-Lachin	Dakhlik Shirvan	Nakhchivan Autonomic Republic
Total income	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,1	99,7
Income from employment	53,8	50,8	25,4	20,2	25,9	26,7	22,9	28,2	20,4	31,1	40,2
Income from self employment	22,9	19,8	30,0	27,4	25,1	26,4	28,7	7,9	39,1	37,5	16,9
Income from agriculture	1,9	1,5	17,6	24,7	18,9	27,8	18,4	21,8	0,1	13,7	27,7
Income from rent	1,7	0,4	0,9	0,6	1,1	0,1	0,5	0,3	0,1	0,8	0,7
Income from property	0,4	0,3	0,5	0,2	0,1	0,1	0,1	0,0	0,1	0,5	0,0
Current transfers received	11,5	14,4	14,5	15,7	16,0	13,4	16,0	31,9	33,0	12,7	9,8
pensions	10,1	13,0	13,8	14,9	15,2	13,1	12,7	13,8	11,6	12,5	8,9
benefits and social contributions	1,0	1,0	0,6	0,8	0,8	0,3	2,1	10,4	13,2	0,1	0,9
social transfers in kind	0,4	0,4	0,1	0,0	0,0	0,0	1,2	7,7	8,2	0,1	0,0
Income from other households	5,4	11,0	7,1	9,0	7,5	5,1	10,1	9,7	5,5	3,4	2,4
remittances from abroad	2,4	1,8	4,0	2,2	5,4	0,4	3,3	0,2	1,7	0,4	2,0

Source: SSC, 2010d

Table 4.7. Distribution of households according to amenities in 2008 (%)

	Baku city	Absheron	Ganja-Gazakh	Shaki-Zagatala	Lankaran	Guba-Khachmaz	Aran	Yukhari Karabakh	Kalbajar-Lachin	Dakhlik Shirvan	Nakncnivan Autonomic Republic
Total area per HH member, m <sup>2</sup>	15,6	12,6	18,8	19,7	21,8	19,8	19,1	18,5	12,4	18,5	19,1
Households with:											
central heating	38,2	30,6	0,0	0,0	0,0	2,7	8,6	0,0	0,0	0,7	7,4
stove	30,9	4,7	80,7	98,6	89,5	98,4	66,0	34,1	21,9	97,9	90,9
phone	95,3	82,9	56,9	71,8	61,3	30,9	51,8	8,7	15,2	82,1	67,9
sewerage	100,0	99,6	98,6	74,8	90,0	100,0	91,1	63,1	83,3	77,7	96,7
bathroom, shower	97,8	96,3	69,6	45,8	54,0	48,8	44,1	22,7	36,7	69,2	78,8
gas supply	99,6	100,0	69,4	37,5	35,3	58,3	43,9	12,0	40,4	80,6	64,3
gas cylinder	6,2	0,0	56,8	56,5	59,7	57,0	65,5	50,8	20,3	45,0	58,4
hot water	84,9	96,2	60,6	15,5	48,3	53,0	30,0	20,5	17,6	15,2	55,7
water pipeline	99,8	99,6	75,0	57,3	51,5	80,9	59,8	34,3	82,9	56,2	59,3
Households without water pipeline	0,2	0,4	25,0	42,7	48,5	19,1	40,2	65,7	17,1	43,8	40,7
take water from:											
well in yard	0	0	54,2	24,4	62,1	0,9	6,6	0,7	2,3	27,5	74,6
public heaters	100	0	20,4	19	7,1	76,4	16,5	25,1	93,7	16,4	23,3
public well	0	0	0	15,1	0	0	31,8	31,5	1,7	0	1
spring, river, lake	0	0	3,2	41,4	11,4	0	17,7	15	0	8,8	1
cistern car	0	100	22,2	0	19,4	22,7	27,5	27,7	2,3	47,3	0

Source: SSC, 2008b

Table 4.8. Distribution of households according to amenities in 2010 (%)

	Baku city	Absheron	Ganja-Gazakh	Shaki-Zagatala	Lankaran	Guba-Khachmaz	Aran	Yukhari Karabakh	Kalbajar-Lachin	Dakhlik Shirvan	Nakhchivan Autonomic Republic
Total area per HH member, m <sup>2</sup>	15,4	13,0	19,0	20,0	22,3	17,9	19,1	17,7	13,9	22,4	18,8
Households with:											
central heating	35,9	31,6	0,5	0,2	0,0	1,9	5,5	0,0	20,3	0,4	8,5
stove	27,0	5,9	75,3	97,3	90,5	97,2	68,1	62,8	14,3	85,9	93,0
phone	96,7	80,1	65,5	69,3	66,7	41,7	56,7	19,5	29,4	75,7	77,0
sewerage	100,0	99,5	92,6	89,0	95,0	99,6	89,0	78,2	99,7	97,9	99,2
bathroom, shower	97,8	94,7	68,5	46,7	58,4	42,9	47,0	55,5	27,7	85,3	81,3
gas supply	99,5	100,0	85,5	54,3	37,1	68,0	48,3	12,0	46,1	84,3	99,5
gas cylinder	7,2	0,0	44,1	49,8	70,8	41,5	64,7	63,4	18,8	35,4	57,6
hot water	80,1	90,8	63,6	28,5	51,8	38,9	28,3	44,2	8,5	32,6	72,3
water pipeline	99,9	99,5	67,0	64,1	56,3	74,1	54,3	56,9	99,7	65,5	57,2
Households without water pipeline	0,1	0,5	33,0	35,9	43,7	25,9	45,7	43,1	0,3	34,5	42,8
take water from:											
well in yard	0	0	13,5	10,7	57,8	3,5	11,2	0,8	0	25,2	78,5
public tap	100	0	58,1	45,3	5,8	95,1	15,8	45,3	100	18,1	18,0
public well	0	0	0,3	19,3	0	1,4	28,3	29,2	0	0	0,9
spring, river, lake	0	0	2,1	24,7	12,2	0	15,2	14,5	0	51,9	2,6
cistern car	0	100	26,0	0	24,2	0	29,4	10,2	0	4,7	0

Source: SSC, 2010d

Table 4.9. Enrolment Rate in Postsecondary Education

	Upper Secondary	University	Upper Secondary	University
		. 5 (2.1)		(24)
	Net Enrolme	ent Rates (%)	Gross Enrolm	ent Rates (%)
Baku city	54,7	71,1	64,4	29,7
Absheron	44,2	60,1	55,2	25,7
Ganja-Gazakh	51,5	57,1	52,2	10,2
Shaki-Zagatala	55,8	65,0	44,7	11,2
Lankaran	59,4	65,0	45,7	9,0
Guba-Khachmaz	52,9	56,4	38,3	7,9
Aran	54,8	45,7	54,1	10,1
Yukhari Karabakh	58,8	49,1	54,9	11,0
Dakhlik Shirvan	31,5	40,9	25,6	7,9

Source: World Bank (2010a): Azerbaijan Living Conditions Assessment Report.

Table 4.10. Primary school enrolment by economic regions, ratio of pupils from 1-4 grades to the children at 6-9 years, in %

	2000	2005	2006	2007	2008	2009	2010
Azerbaijan	100.5	111.8	113.8	114.2	112.4	111.5	110.9
Baku	113.4	144.9	149.8	150.6	151.2	146.9	146.3
Absheron	105.5	124.8	126.9	132.7	134.3	116.2	115.9
Ganja-Gazakh	101.2	102.2	105.2	107.8	105.6	104.1	103.5
Shaki-Zagatala	102.6	107.6	105.2	103	102.3	101.1	100.5
Lankaran	101.6	104.9	106.4	104.8	103.5	101.5	100.9
Guba-Khachmaz	103.8	113.2	111.5	110.2	107.3	109.9	110.1
Aran	102.3	104.9	105.7	104.7	100.1	101.3	101.5
Yukhari Karabakh	100.1	101.3	101.8	102.4	102.5	103.2	103.1
Kalbajar-Lachin	105.8	114.8	110.7	107.2	105.2	106.3	106.5
Dakhlik Shirvan	105.1	106.3	105.2	104.1	103.3	103.2	103.4
Nakhchivan	105.1	104.8	104.2	103.9	103.1	101.5	100.9

Source: SSC, http://www.azstat.org/MDG/hir\_MIM.shtml

Table 4.11. Enrolment rate in general education by economic regions, ratio of pupils from 10-11 grades to the children at 15-16years, in %

	2000	2005	2006	2007	2008	2009	2010
Azerbaijan	56.0	67.0	68.0	70.0	67.0	65.0	64.0
Baku	62.8	75.8	78.2	80.1	80.3	81.2	81.5
Absheron	61.5	74.0	75.6	78.4	76.7	73.3	72.1
Ganja-Gazakh	62.3	63.7	66.0	68.0	64.3	62.2	61.3
Shaki-Zagatala	63.0	71.1	72.4	72.5	67.5	63.9	61.8
Lankaran	61.2	64.1	64.1	63.3	62.5	62.1	61.9
Guba-Khachmaz	61.0	62.1	62.7	63.0	62.5	62.0	61.6
Aran	62.1	63.5	65.9	67.4	64.0	62.0	60.8
Yukhari Karabakh	61.2	61.5	61.3	61.8	62.0	62.1	61.9
Kalbajar-Lachin	63.1	62.2	61.0	64.3	63.0	63.1	63.2
Dakhlik Shirvan	62.5	62.3	62.1	63.0	62.8	62.1	61.7
Nakhchivan	63.5	70.5	75.9	78.3	79.1	79.0	79.2

**Source:** SSC, http://www.azstat.org/MDG/hir\_MIM.shtml

Table 6.1. Skills acquired by labour migrants abroad - general information on skills

Nº	Responds	Indicator
1.	Studied Russian language	41,5%
2.	Studied other foreign languages (English, German etc.)	2,8%
3.	Acquired new specialization without test or certification	14,6%
4.	Acquired new specialization after passing a test for certification	3,7%
5.	Specialized in something without certification	4,1%
6.	Required bachelor, master and other scientific degree	2,4%
7.	Did not require any significant skill	29,8%
8.	Other	1,1%
	Total	100,0%

Source: MRC, 2006

Table 6.2. Unemployment rates by ILO methodology

	2003	2004	2005	2006	2007	2008	2009
Women	9,8	8,5	7,7	6,5	5,6	5,6	5,2
Men	9,5	8,3	7,5	7,1	7,5	6,5	6,9

**Source**: SSC, <a href="http://www.azstat.org/statinfo/labour/az/043.shtml">http://www.azstat.org/statinfo/labour/az/043.shtml</a>

Table 6.3. Information as of July 01, 2011 about the houses and infrastructure constructed for refugees and IDPs

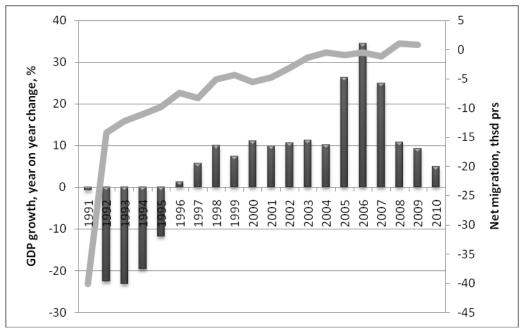
Number of legal documents*	Unit	No 562,700	No 577,700	No 80	No 298	No.2475	No 687	No 303s	Total
Districts	piece	10	14	13	13	7	1		58
Buildings	piece	1				9		9	19
Houses	piece	2231	3860	3860	4179	2628	490	41	17709**
Schools	piece	6	12	15	7	8	1	2	51
Music schools	piece	0	0	3			1		4
Kindergarden	piece	6	12	5	11	5			39
Hospitals	piece	1	1	1	1	1			5
Primary healthcare units	piece	0	0	4					4
Ambulance stations	piece	0	0	1	4	1	1		7
Medical stations	piece	5	11	4	2	1			23
Community clubs	piece	0	10	8	11	5	1		35
Fire-fighting centers	piece	1	3	1	2	3			10
Administrative buildings	piece	4	10	10	11	8	1		44
Communication centers	piece	1	10	7	11	3	1		33
Veterinary stations	piece	0	0	3	3	2			8
Bath houses	piece	3	14	12	2				31
Sports complex	piece	0	0		1				1
Artesian wells	piece	3	37	124	12	25		6	207
Water ponds	piece	31	38	4	18	20	4	12	127
Water pumping stations	piece	6	6	2	13	4	5	4	40
Large and smaller transformers	piece	41	87	164	115	72	11	5	495
Electric power stations	piece	1	5	5	3	3	1	2	20
Roads	km	66	136	132	150,8	91,5	17	3,2	596,5
Water pipes	km	63	100	131	111,7	120,1	24	9,4	559,1
Electric power lines	km	141	213	212	227,7	204	20	9,4	1027,1
Gas lines	km					77	27	4,4	108,4
Sewerage system	km					2	25	2,8	29,8
Irrigation systems	he	1630	3888	250	4105	500	80		10453

<sup>\*</sup> The Presidential Decrees No.562 dated 22.08.01, Decree No.577 dated 07.09.01, Decree No.700 dated 13.05.02, Decree No.132 dated 01.10.04, Decree No. 346 dated 28.12.05, Decree No.505 dated 28.12.06, Decree No. 687 dated 26.12.07, Decree No.68 dated 26.02.09 and Decree No. 204 dated 25.12.09, Decree No. 365 dated 28.12.2010 & Directive No.80 dated 04.02.04, Directive No.298 dated 01.07.04, Directive No.2475 dated 31.10.2007

Source: SOFAZ, <a href="http://www.oilfund.az/en/content/10/87">http://www.oilfund.az/en/content/10/87</a>

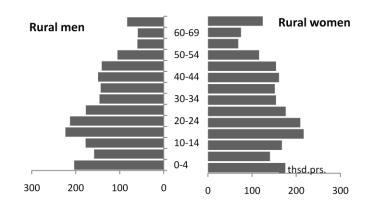
<sup>\*\* -</sup> Including 320 houses, the construction of which is not completed (Decree No 562) and construction of 100 houses in Nakhchivan (Decree No 132)

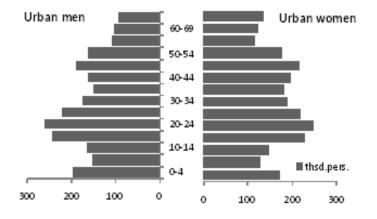
Graph 1.1. Real GDP Growth and net migration



Source: SSC, National accounts and migration indicators

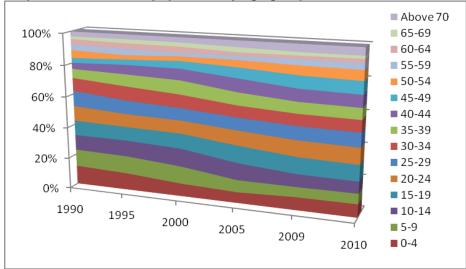
Graph 1.2. Rural and urban population composition by sex and age in Azerbaijan in 2010





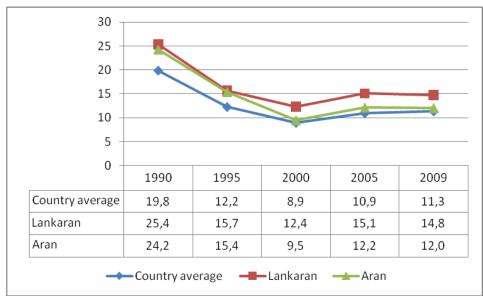
Source: SSC, 2010a

Graph 3.1. Structure of population by age groups, in %



Source: SSC, 2010a

Graph 4.1. Natural increase of population, per 1000 person



Source: MoED, 2011