

STATE SOCIAL PROTECTION FUND OF **REPUBLIC OF AZERBAIJAN**

INSURANCE-PENSION SYSTEM OF REPUBLIC OF AZERBAIJAN: NEW DEVELOPMENT STAGE



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Legislative base for insurance-pension system



1. Law of Republic of Azerbaijan of 18.02.1997 No.250-IQ "On social insurance"

2.Law of Republic of Azerbaijan of 27.11.2001 No.221-IIQ "On personal accounting in state social insurance system"

3.Law of Republic of Azerbaijan of February 7, 2006 No.54-IIIQ "On labour pension"

Achievement in modern insurance-pension system established in Azerbaijan



As a result of reforms conducted in 2003-2013, there was formed modern insurancepension system that operates based on uniform principles in Azerbaijan, and that covers all the employed people of the country, and that ensures the relationship of the amount of the granted pensions with social insurance contributions paid into system and accounted for.

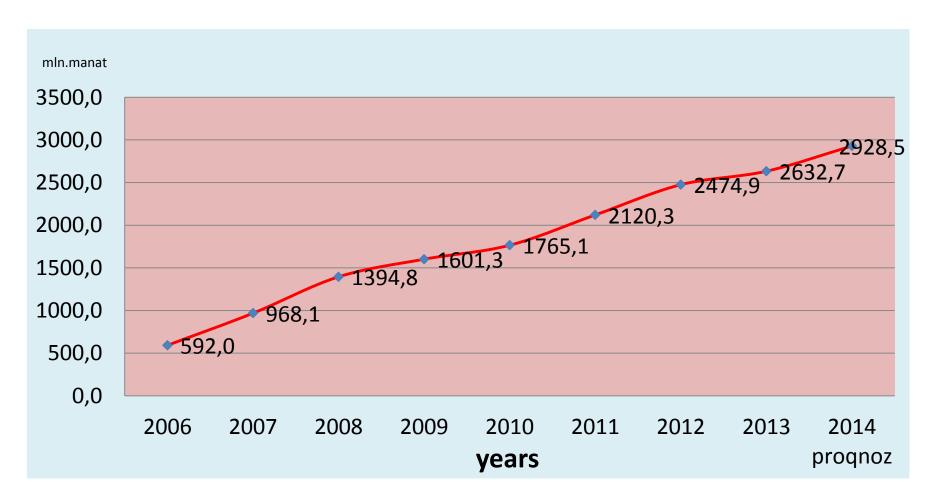


Mandatory state social insurance



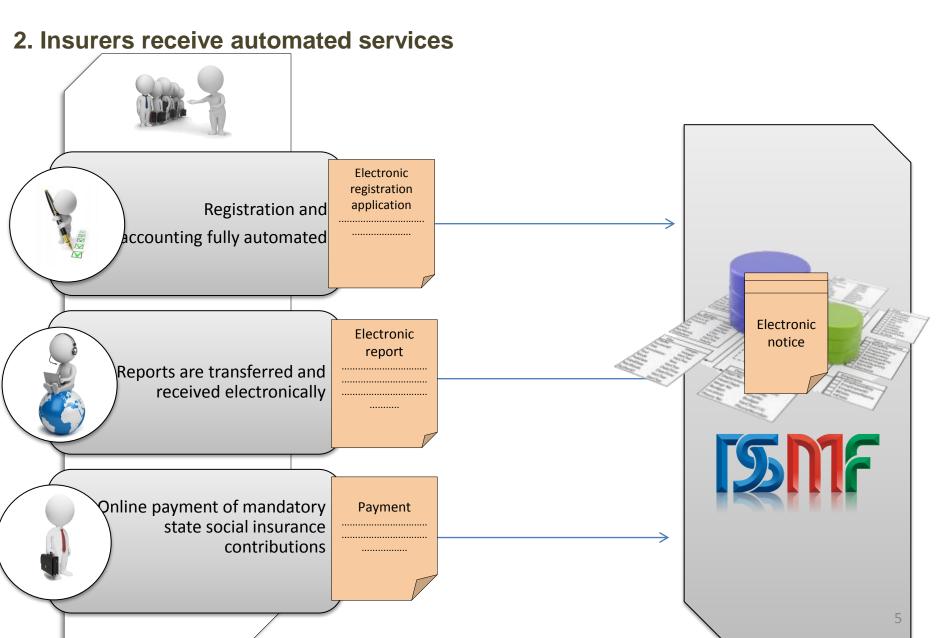
1. Growth rate for incomes of the Fund

Since 2006, the incomes of SSPF have grown by 5 times, the total rate of social insurance contribution has been decreased from 29%- to 25%-



Mandatory state social insurance



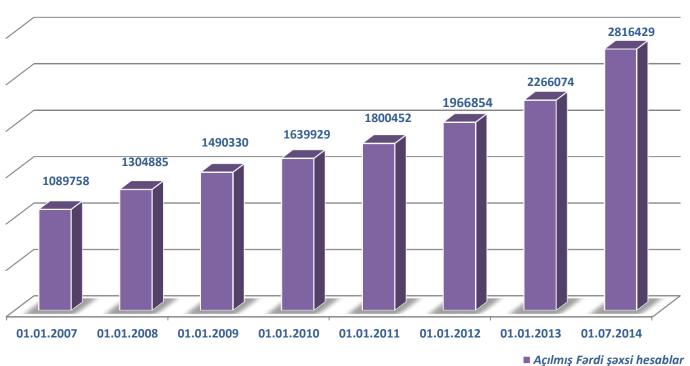


Sersonal accounting of insured rdi uçotu



Growth dynamics of the opened individual accounts by indicators of years

Since 2006, number of insured in personal accounting system grew by and 2,5 times and reached 2,8 million.



Personal accounting of insured



2. Provision of information to Insured has been automated

Every employed has 1 individual account



Mechanism of information has been established for individual account





Every employed is able to calculate his future pension

Pension amount «Pension calculator» electronic service calculates automatically

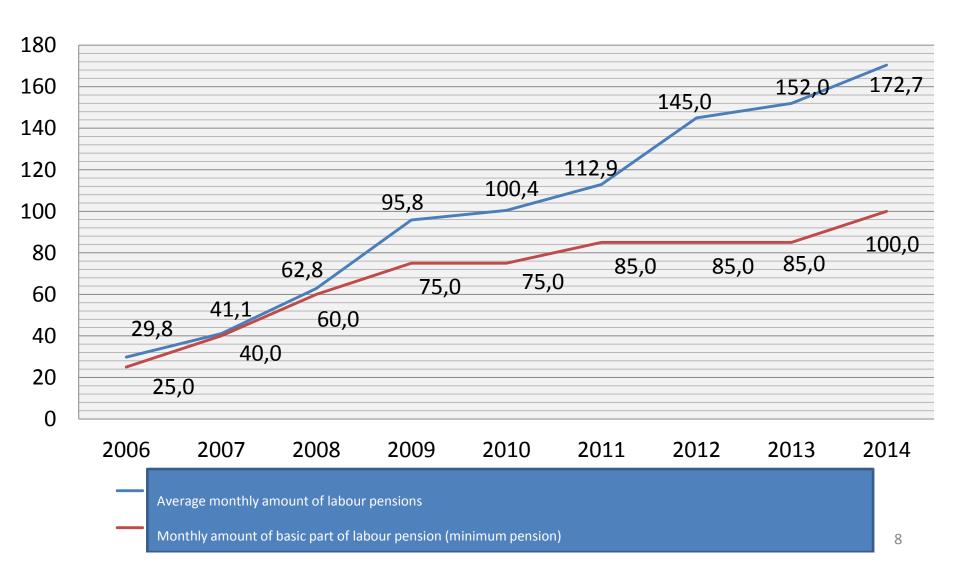


Labour pension provision



1. Increase in pension amount (beginning of year)

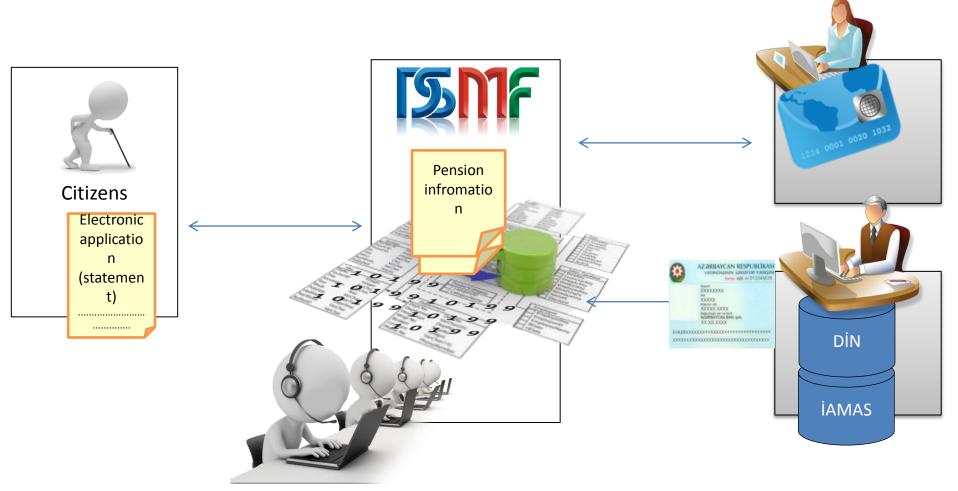
Since 2006, minimum amount of pensions increase by 4 times, and average monthly amount by 5,7 times



Labour pension provision



2. Pension granting and payment have been automated



Call system 190-0

Labour pension structure



According to law of Republic of Azerbaijan "On labour pensions", labour pensions have the following structure:

Basic part

operable

Insurance part

operable

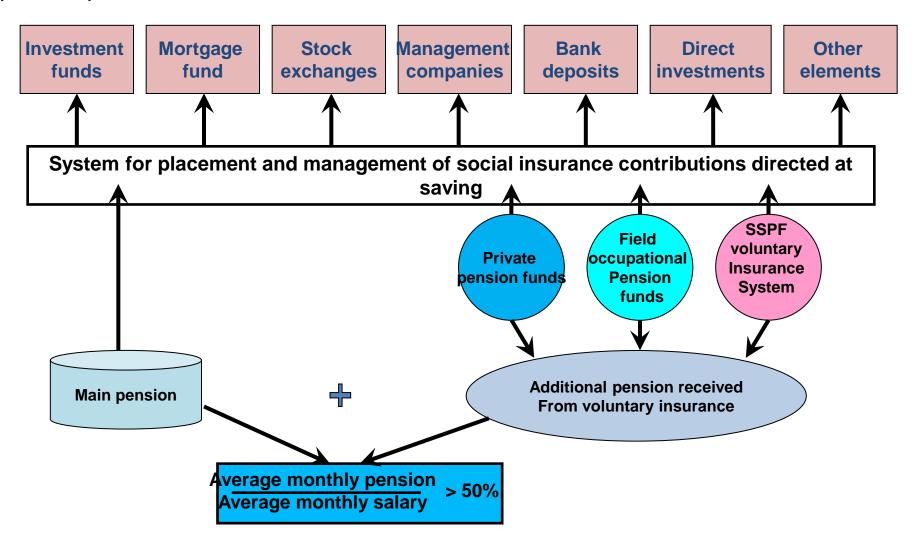
Funded part

Draft

Insurance-pensions system strategic goals



New elements of insurance-pensions system – funded component and private pension funds



Thank you for your attention!

