Targeted State Social Assistance
as a social benefit to low-income families in Azerbaijan
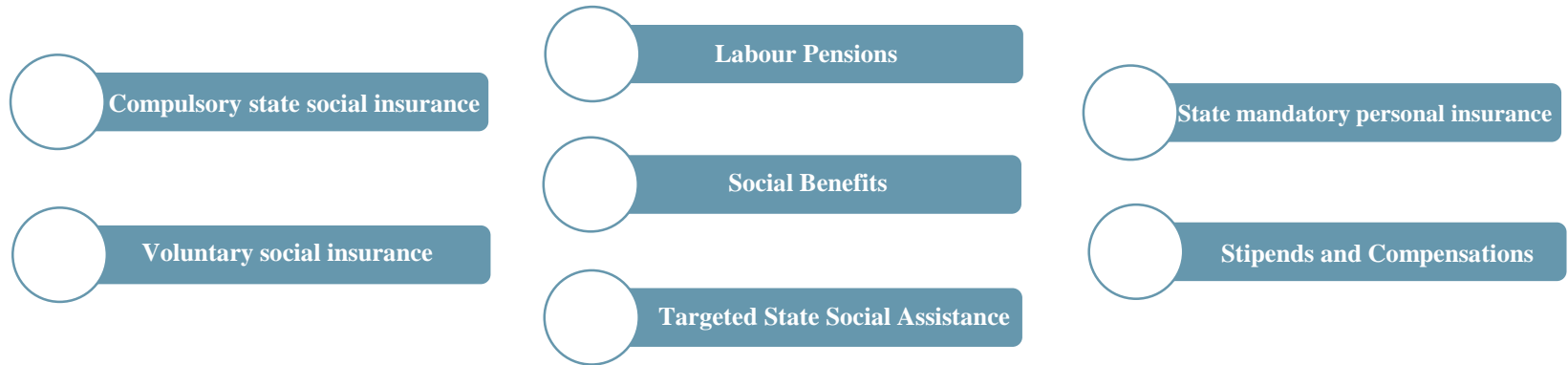
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Key functions of the State Social Protection Fund

Compulsory state social insurance

Voluntary social insurance

Labour Pensions

Social Benefits

Targeted State Social Assistance

State mandatory personal insurance

Stipends and Compensations

- **5 ISO accreditations** (ISO 9001, ISO 37001, ISO 10002, ISO 26000, and ISO 15489)

- **12 International Awards** for the best business results, efficient proactive services and achievements in social protection of population

Overview of Targeted State Social Assistance (TSSA)

- **Purpose:** TSSA, cornerstone of the social protection system, is an integral policy, established by the government of Azerbaijan, dedicated to financially assisting low-income families.

- **Eligibility:** It is specially designed for families whose average monthly income falls below a set threshold due to circumstances beyond their control.

- **Benefits:** TSSA is an instrumental approach to alleviate poverty, provide financial stability, and minimize social risks among the most vulnerable sections of society in Azerbaijan.

- **Mode of payment:** The assistance is disbursed centrally to the designated family representative's card account on a monthly basis. Payments are strictly non-cash and are sourced from the state budget.

- **Application and processing:** An application for TSSA can be submitted both physically and electronically. Applications are processed through the 'single window' principle, ensuring simplicity, accessibility and efficiency.

- **Evolution:** Over time, new artificial-intelligence-based technologies have been integrated into the system to enhance impartiality, efficiency, transparency and cost-effectiveness.

The Evolution of TSSA: Incorporating Artificial Intelligence

- **AI integration:** A pioneering AI-based web application has transformed the TSSA assignment process, bringing impartiality and efficiency to the examination of household conditions.

- **Issue resolution:** Through systematic data organization and redundancy elimination, the application addresses key challenges in the examination process.

- **Digital transition:** The AI integration marks a significant shift from a human-centric to a digital-centric approach, enhancing service accessibility and transparency for citizens.

Challenges before AI integration

- Coordination problems and administrative challenges in the process of examination
- Existence of corruption offenses and conditions conducive to corruption
- Delays in providing services due to untimely examination, and failure to provide services in a unified and coordinated manner
- Violation of social assistance addressability due to false information by examiners
- Breach of data uniqueness and confidentiality
- Extensive use of human factor in the business process

Strategy to address challenges

- Adoption of machine management methods and tools to maximize efficiency
- Transition from the 'human environment' to the 'digital environment'
- Development of mobile application for more streamlined examination process
- Minimizing direct communication between citizens and officials
- Creation of a systematized, unified database

Targets to be achieved

- Ensuring correct scoping of the TSSA system and precise targeting to vulnerable groups
- Creation of an effective and flexible automated infrastructure related to digital transition
- Optimization of control, monitoring, and evaluation in the examination process
- Increasing efficiency of social governance and control mechanisms

Evaluation of results

- A 35% reduction in written complaints, and 22% increase in customer satisfaction compared to 2021 (96.5% in 2022).
- A 21% decrease in the workload of the Fund's Central Branch for Examination of Household Conditions and 61421 new TSSA assignments in 2022 (94% increase compared to 2021).
- Optimized examinations and data management, enhanced monitoring and navigation and revolutionizing the social assistance process.
- Assignment of the TSSA to 10520 persons in 2022, who were denied TSSA in 2021.
- Return of USD 493.74 to low-income families due to past incorrect calculations.
- 80.5% increase in examinations in the 2nd semester of 2022 (compared to the same period of 2021).
- Increased efficiency in judicial disputes, with a rise in decisions in favor of the Fund from 63% to 92%.

Lessons learned and risk management

- **Key success criteria:** Strategic focus, trust, satisfaction, strengthening cost and time management, effective resolution of judicial disputes

- **Risks:** Additional burden in ensuring the information system security, lack of professional staff, challenges of adaptation to the digital environment

- **Risk management:** Use of modern software for system security, recruitment of new professional employees, organization of informative trainings to adapt to digital transformation

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