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AZERBAIJAN - 2030: FROM THE MILLENNIUM DEVELOPMENT GOALS TOWARDS THE SUSTAINABLE DEVELOPMENT GOALS



VOLUNTARY REVIEW

of the Republic of Azerbaijan on the first steps in implementation of the “Transforming our world: the 2030 Agenda for Sustainable Development”

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ACRONYMS AND ABBREVIATIONS

“2030 Agenda”	United Nations “Transforming our world: the 2030 Agenda for Sustainable Development” adopted at the “Sustainable Development Summit” on 25-27 September 2015
SCFWCA	The State Committee for Family, Women and Children's Affairs
ILO	The International Labor Organization
UN	United Nations
UNFPA	United Nations Population Fund
UNDP	United Nations Development Program
UNICEF	United Nations Children's Fund (
WB	The World Bank
SDG	Sustainable Development Goal
NCCSD	The National Coordination Council for Sustainable Development of the Republic of Azerbaijan
SSC	The State Statistics Committee the Republic of Azerbaijan
SSHB	Sample Survey of Households Budget
MOENR	Ministry of Ecology and Natural Resources the Republic of Azerbaijan
MLSPP	The Ministry of Labor and Social Protection of Population the Republic of Azerbaijan
EAS	Economic Activity Survey
IDB	The Islamic Development Bank
ECO	Economic Cooperation Organization
OIC	Organization of Islamic Cooperation
ICT	Information and Communication Technologies
MOE	Ministry of Economy of the Republic of Azerbaijan
SME	Small and Medium-sized Enterprises
NGO	Non-governmental organization
AIDS	Acquired Immune Deficiency Syndrome
NID	Non-Infectious Diseases
SCRIDP	The State Committee for Refugees and Internal Displaced Persons
IFAD	The International Fund for Agricultural Development
MOAg	The Ministry of Agriculture the Republic of Azerbaijan
CBAR	The Central Bank the Republic of Azerbaijan
MDG	Millennium Development Goal
MCT	The Ministry of Culture and Tourism the Republic of Azerbaijan
MOF	The Ministry of Finance the Republic of Azerbaijan
COM	The Cabinet of Ministers the Republic of Azerbaijan
ANFES	National Fund for Entrepreneurship Support the Republic of Azerbaijan
MOH	The Ministry of Health the Republic of Azerbaijan
MOED	The Ministry of Education the Republic of Azerbaijan
GDP	Gross Domestic Product
TSA	Targeted Social Assistance
WHO	The World Health Organization
WTO	The World Trade Organization
MOT	The Ministry of Taxes the Republic of Azerbaijan
SPPRED	The State Program on Poverty Reduction and Economic Development 2003-2005

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FOREWORD

The world is changing and we are heading towards a new future. We can easily witness the intensification of scientific and technical progress and globalization, which leads to revolutionary changes in all spheres of public life. These developments are natural and would be happening regardless of our readiness. Something until recently viewed as a science fiction is becoming reality, and this process is gradually accelerating. Of course, every change in the world, as well as every innovation brings about new challenges. As a result, challenges grow along with global capabilities. In such circumstances, people, countries, governments and international institutions have to work together in a timely manner to meet the challenges of the time and take advantage of new opportunities to advance our world further.

Driven by this logic, Azerbaijan is a close participant of the international community, including the UN's global development initiatives. This is the best avenue to learn of and share best practical and innovative ideas and in the last 15 years has been one of the important milestones to facilitate successful implementation of the Millennium Development Goals (MDGs) in Azerbaijan.

Our country joined the Millennium Declaration in 2000 and implemented number of comprehensive measures to achieve the MDGs, including the adoption and successful implementation of "The State Program on Poverty Reduction and Economic Development in the Republic of Azerbaijan for 2003-2005" (SPPRED), "The State Program on poverty reduction and sustainable development in the Republic of Azerbaijan in 2008-2015" (SPPRSD) and a number of other supporting programs and policy documents. As a result, the country has made significant progress in achieving many goals under the MDGs, particularly on poverty reduction, increase of education level, improving situation with the gender equality and environmental protection, child and maternal mortality reduction, strengthen the fight against dangerous infectious and other diseases, and the progress on the global partnership growth. As the most important result we can talk of the elimination of extreme poverty the absolute poverty rate dropped from 49% in 2001 to 4.9% by 2015.

At present, the development of non-oil sector and ensuring its sustainable development is the key in country's development strategy. The idea of the Head of the state to "convert black gold into human capital," becomes a reality. During this period, the implementation of a number of major socio-economic projects, opening of new jobs, building of modern infrastructure, launch of high technology-based businesses, support to entrepreneurship, steps taken to improve the business climate, as well as the country's role in initiating and implementation of large-scale transnational projects accelerated the development process and increased country's global influence.

Our country has also joined the agreement on 17 Sustainable Development Goals (SDG) that were formally approved by the member states on September 25-27, 2015 at the United Nations Summit on Sustainable Development and entered into force in January 2016 and "Transforming our world: the 2030 Agenda for Sustainable Development" ("2030 Agenda"), which entails 169 associated targets.

Identified goals and targets cover economic, social and environmental aspects of the sustainable development, as well as are based on successes achieved on MDGs and set the global development directions until 2030. As SDGs are based on principles as "universality", "integrated approach" and "leaving no one behind", serve prosperity and well-being of human beings, it is expected that their implementation will bring more prosperity by providing dynamic economic growth, solution of social and environmental problems.

Establishment of an effective national implementation mechanism was critically important given the need for comprehensive approach to implement the institutional and political aspects of SDGs as well as taking into account the need development of stable, comprehensive and diversified economy, balanced development of social sectors and preservation of ecological balance. Taking into account the above-mentioned and with the purpose to coordinate the implementation of tasks entrusted to each government agency under the commitments undertaken arising from "2030 Agenda" the President of the Republic of Azerbaijan issued a decree on October 6, 2016, to establish the National Coordination Council for Sustainable Development of Azerbaijan Republic (NCCSD).

Identification of the national priorities and related indicators that correspond with the global goals and targets, ensuring alignment of the state programs and strategies in country's socio-economic areas with the SDGs, as well as preparation and submission of national progress reports for country's leadership and High-Level Political Forum on country's achievements towards SDGs have been identified as essential tasks of the Council.

During this period, the Secretariat of the National Coordination Council was established, as well as 4 working groups on economic development and decent employment, social and environmental issues, monitoring and evaluation, and other preparatory work has been completed.

Today, Azerbaijan submits its first Voluntary National Review in connection with the work done in the country on achieving the SDGs. "2030 Agenda" identifies the problems faced by people around the world and calls for a joint solution. In this regard, SDGs resonate broadly in Azerbaijan. Despite global and regional conflicts, poverty, environmental degradation and problems such as crime, Azerbaijan makes confident steps towards achieving peace and a decent life and determined to achieve the targets set by SDGs.

Armenia's occupation of Azerbaijan's Nagorno-Karabakh region and its surrounding regions and its consequences remain for years as the country's main problem. As a result of this conflict Azerbaijan faced a huge humanitarian crisis, more than one million Azerbaijanis turned into refugees and internally displaced persons after their massive expulsion from Armenia and Nagorno-Karabakh and the surrounding regions. Despite 4 UN Security Council resolutions (822, 853, 874 and 884) in 1993 on the unconditional withdrawal of forces from the occupied territories and decisions adopted by other international organizations and Azerbaijan's commitment to ceasefire for the last 23 years relying on those documents, still no political solution or a peace deal was not found. More than 1 million people are still deprived of their right to return to their permanent places of residence and live there in security and dignity. We expect the international partners to demonstrate a firm position in finding a solution to this critically important issue for our country, which will also contribute to real application of the "leave no one behind" principle adopted under SDGs.

In addition, there is a need to step up efforts in the diversification of the economy and the acceleration of the development of non-oil sector, strengthening export capacity and increase of exports, improvement the efficiency of health and social services, as well as in strengthening the environmental protection. We hope the international partners will also support our activities in these areas.

Overall, we believe that SDG is a favorable platform for joint work of government agencies, civil society and business representatives, scientific and educational institutions, mass media and the international development agencies. UN agencies and Corresponding initiatives, guiding and supporting activities of the UN agencies should be also highlighted. We are confident that this cooperation will be move on and play an important role in achieving SDGs.

SUMMARY

This review reflects on initial conditions and work progress in achieving SDGs in Azerbaijan Republic, including the achievements on MDGs, consistency of sustainable development issues with the country's development agenda, main challenges, current hurdles and future steps.

Along with other 193 UN member states, the Republic of Azerbaijan joined the "Sustainable Development Agenda" adopted for 2016-2030 on September 25-27, 2015 at the Sustainable Development Summit in New York and became part of the process of achieving the SDGs. Setting time frames and application of result-oriented approach develops confidence in their impetus to the global development. Thus, they are expected to change the living standards of billions of people around the world by adapting SDGs to local conditions and aligning them with relevant policies of national governments. By focusing on a limited set of measurable targets, SDGs will help to increase international aid and its more efficient distribution, on coordinate of global and national priorities, mobilize the activities around these priorities and thus will bring significant results.

Relevant studies show that, during the previous reporting period the Republic of Azerbaijan carried out a successful policy towards achieving the MDGs. This reflects in adoption and implementation of targeted policy documents as the State Program on Poverty Reduction and Economic Development 2003-2005 (SPPRED), The State Program on Poverty Reduction and Sustainable Development 2008-2015 (SPPRSD), of a wide range of state programs for socio-economic development of the regions, Baku and its suburbs as well as specific state programs on MDGs, in the implementation of necessary reforms in relevant areas, the legislative base (different laws and normative legal acts were adopted on cost of living, targeted social assistance, social benefits, pensions and other issues) and in creation of institutional mechanisms.

As a result, according to the data of SSC, the macroeconomic stability achieved in 1996 was strengthened between 2001-2015, the dynamic social-economic growth started since 1997 provided for continuity of economic sustainability (during the past 15 years the country's GDP in real terms increased by 4.5 times or at annual average of 10.6%, GDP per capita in real terms by 3.8 times, non-oil GDP in real terms by 4.0 times, the investments by 12.4 times, the development of non-oil sector helped to create new jobs and expand income opportunities for the population, the unemployment rate decreased by 5.9 percentage points from 10.9% to 5%, the low level of inflation was secured (according to the results of 2015 was 4.0%), minimum social standards and income levels rose again and so on.) and achieving of the millennium development goals before the deadline.

Thus, the analysis and assessment of the data collected on the monitored indicators [2] shows that in 2000-2015 the extreme poverty in the country was eliminated (at the beginning of the period extreme poverty was 10.0% and in 2007 it decreased to 0.1%), absolute poverty dropped from 49.0% to 4.9%, enrollment rate to the primary, middle and secondary education reached 99.8-100%, significant progress made on the gender equality and women's empowerment, 1000 the number of under 5 child deaths among 1000 live births dropped from 30.5 to 13.3, infant and maternal mortality rate significantly fell, fight against infectious and other diseases strengthened, malaria was fully eliminated, year by year the number of death cases from the first time tuberculosis patients and other illnesses decreased, substantial steps taken to ensure environmental sustainability and development of international partnerships.

In this regard, the assessment of the Director-General of FAO Jose Graziano da Silva is noteworthy. He praised Azerbaijan's impressive success under MDGs in reducing poverty by half being one of 18 countries among 128 countries who had this

obligation and its rating among top 29 countries, which managed to reduce poverty below 5% [11].

The Government of Azerbaijan continues to take regular steps necessary to build upon the progress, as well as adopts relevant documents and implement range of corresponding measures. The following documents have key importance with regard to relevance with SDGs:

- "Azerbaijan 2020: vision to future" Development Concept. The main priorities of the concept include the following: formation of highly competitive economy; Development of information and communication technology and ensure the transition to an information society; Human capital development and building of effective social protection system; improvement of legislation and institutional capacity building; development of civil society; preservation and effective management of cultural heritage; ensuring environmental protection and ecological balance [1].

- 12 strategic road map for the development of the National Economy and in accordance with the approved national economy 11 priority sectors (oil and gas industry (including chemical products) stipulated in the Decree of the President of Azerbaijan Republic dated 06 December 2016 on "Approval of the strategic road maps on national economy and key sectors of the economy", including agricultural production and processing; production of consumer goods by small and medium enterprises; heavy industry and mechanical engineering; specialized tourism industry; logistics and trade; affordable housing; vocational education and training; financial services; telecommunications and information technology; utilities (power and thermal energy, water and gas) [10].

In addition, sustainable development is a special focus in a number of documents signed on cooperation with international partners. The United Nations (UN)-Azerbaijan Partnership Framework (UNAPF) for 2016-2020 signed on 12 July 2016 can serve as the best example of a comprehensive document of this nature. UNAPF development process took into account the national priorities set out in "Azerbaijan 2020: Vision for Future Development Concept", as well as SDGs defined for post-2015. The document identified three strategic priority areas closely associated with each other: 1. Promotion of sustainable and inclusive economic growth, including growing diversification and decent employment; 2. Institutional capacity building, effective public and social services; 3. Improving the environment management, strengthen resilience against risks and natural disasters [4].

As we can see, priorities reflected in these documents are consistent with SDGs and the current policies, other activities of the measures taken to achieve these goals guarantee Azerbaijan's leading position and contribution to the globally important cause.

Similar to other signatory states of "2030 Agenda" Declaration, Azerbaijan started the process of adaptation of SDGs to local conditions SDGs and identification of country-specific SDGs, including development of baselines, targets and monitoring indicators, as well as the necessary policy measures and other activities to achieve the goals.

During the review drafting the need for aligning SDGs with the national development agenda, policy planning in the relevant areas and increase of efficiency of the state bodies in charge of their implementation, as well as improving the coordination between these bodies, analysis and evaluation of impacts and development of relevant capacity. The corresponding working groups were formed with the participation of the relevant state agencies with the purpose of meeting the above mentioned needs.

Another important problem is the lack of comprehensive indicators in a number of areas. This prevents the creation of a comprehensive monitoring system on SDGs. The good side of this issue is that, improvement of national statistics helped to precisely define the most important areas.

Cooperation with the UN Mission in the country plays a pivotal role in filling in the existing gaps and strengthening the government's capacity. Flexibility and thoughtfulness of UN experts and staff helped the Government to significantly advance the process stipulated this review.

Based on the above mentioned, we derive a conclusion that coordinated and diversified activities of national governments, country's missions of UN agencies and other international development organizations in achieving SDGs might become a successful experience.

Discussions on the nationalization of SDGs and accelerating their implementation and planning of the follow-up processes is positively accepted as the best international practice. Another interesting issue is the establishment of effective co-operation and mobilization of capacity of representatives of state institutions and the private sector, civil society, academic institutions and other stakeholders in the achievement of the targets for SDGs.

In the upcoming period Azerbaijan needs strengthening of the potential for creation and analysis of disaggregated data by gender, age, place of residence (rural/urban) sectors and regions/administrative regions and targeted projects and support in streamlining more ambitious targets under SDGs to speed the progress up.

1. Note: *The missing source of information in the review refers to the State Statistics Committee. The statistical data of 2016 is a preliminary one.*

1. INTRODUCTION

The purpose of this review is to determine the place of the sustainable development issues from the point of long-term view of development prospects, including the review of policy documents and measures supporting the transition to the sustainable development models in the country, global SDGs, to nationalize the determined SDGs goals and indicators, to include the SDGs to the national development agenda, to summarize the works done in the area of institutional mechanisms, performance tools and resources, ownership, participation and public awareness, monitoring, evaluation and accountability, to assess the current state on SDGs in the country, to assess the objectives according to the thematic topics and the progress achieved on the part of the international partnership, to share best practices, to deliver information to local and international counterparts on lessons learned, challenges and activities that require to be supported. .

The review consists of 12 parts: "Foreword", "Summary", "Introduction", 8 key chapters including "referenced sources".

The "Foreword" highlights the government position on sustainable development and a brief information on the planned works and prospects along with the key points mentioned in "Summary".

"Summary" summarizes the issues arising from the content including the primary conditions available for meeting SDGs in the Republic of Azerbaijan, as well as successes achieved on MDGs, correspondence of the issues of the sustainable development with the country's development agenda, the works done in accordance with "2030 agenda implementation", successes achieved, future and current challenges and also future steps.

"Introduction" highlights the purpose of the review development, its structure, and the content its structural parts.

"The process and methodology for preparation of the review" discusses the methodology used for preparation of the review, as well as its scope, challenges and restrictions. This part reflects the information resources used for preparation of the review, including the support of the government, representatives of the private sector, academic institutions, civil societies, international counterparts and the extend of the involvement of other concerned parties, how national reports and government documents have been used and etc.

"Achievements on the MDGs" provides brief information on correspondence of MDGs with national development strategies and priorities, policy documents adopted within this framework, organization of works for achieving MDGs, the major achievements by each MDGs and activates aimed at eliminating faced challenges.

"Sustainable development issues in the development agenda of Azerbaijan" reflects starting situation and initial conditions in the country in connection with SDGs implementation, policy measures undertaken to promote transition to the sustainable development model, the place of sustainable development issues in the long term vision of the country's development prospects, including issues on the intergraded approach to the three elements of the sustainable development.

"Policy measures and favorable environment established for achieving SDGs" reflects the issues on nationalization of Global SDGs and targets and indicators identified in accordance with SDGs, inclusion of SDGs to the development agenda, institutional mechanisms for their implementation, implementation tools and resources, ownership, participation and public awareness, monitoring, evaluation and accountability.

"Works done and successes achieved on goals in line with the Thematic topic" speaks about analysis and assessment results on SDGs related works and

progresses made in accordance with thematic topics that were determined in line with High-level Policy Forum.

“Participation in global partnership for sustainable development” describes results achieved on a relevant goal, the works that are under way in this direction, emerging challenges and suggestions on solutions of these challenges.

“Future Steps” informs on measures undertaken and planned in the country for speeding up and strengthening the efficiency of the activities aimed at the implementation of “2030 Agenda”.

“Conclusion” shows the major analysis findings, policy recommendations in relevant areas, experiences gained, challenges faced, and support that may be required for the development of similar future reports.

“References” demonstrates the literature, reports, instructions, statistics, reviews, etc and other reference information sources used for preparation of the review.

2. THE PROCESS AND METHODOLOGY FOR PREPARATION OF THE REVIEW

The review was developed by the initiative of the NCCSD and support of UNDP Country Office. The process of preparation of the review was coordinated by NCCSD's Secretariat and Working groups consisting of representatives of the concerned ministries, academic institutions, NGOs, private sector, international counterparts and other concerned parties have been involved to the process. The review was written by UNDP recruited National Consultant (Vagif Rustamov).

Methodology for preparation of the review based on the "Proposal for voluntary common reporting guidelines for voluntary national reviews at the high-level political forum" [12] provided in the Annex to the UN Secretary-General A/70/684 report and similar Regulations and other guiding documents [13; 14] developed by UN related agencies and other international development organizations. In accordance with the above mentioned regulations and documents, the structure and content of the structural parts of the review are defined as follows:

- *Foreword*: Focus on the key messages arising from the review and challenges arising during the implementation of "2030 Agenda" at the national level;
- *Summary*: Information on the process and findings of the review highlighting the good practices, lessons learned, challenges and areas that would need support;
- *Introduction*: The purpose, structure and content of structural parts of the review;
- *The Process and Methodology for preparation of the Review*: Information on the scope of the review, development characteristics, used methods and information sources, process progress and its stages, government support, participation of the concerned parties, coordination of national platforms and processes and challenges arising during the process;
- *Achievements on the MDGs*;
- *Sustainable development issues in the development agenda of the Republic of Azerbaijan*: Starting situation and initial conditions; Policy measures promoting transition to sustainable development model; The place of sustainable development issues in the long-term vision of country's development prospects;
- *Policy measures and established favorable environment*: Global SDGs and nationalization of targets and indicators in accordance with them; Inclusion of SDGs to the national development agenda, institutional mechanisms; implementation means and resources, monitoring, evaluation and accounting.
- *Thematic analysis*: Goals related works that are done in line with thematic topic;
- *Participation in global partnership for sustainable development*;
- *Future steps*: important steps for strengthening the implementation process;
- *Conclusion*: Analysis, summary of findings and policy measures;
- *References*;
- *Annexes*: Large statistics and administrative information, tables, and methodological explanations and etc.

Review preparation process: First of all the plan and methodology for the review development was prepared, upon its approval by the relevant authorities, the first draft of the review was prepared and circulated to the counterparts for the review and joint discussions were organized. Following the review and discussions, the final draft of the review was prepared with the view of the written comments received from the counterparts as well as notes and recommendations sounded out during the discussions. The final draft was submitted to the relevant authorities and upon receipt of the approval, it was circulated to the concerned parties.

Therefore, the below listed works have been done: with the support of the counterparts, important documents, regulations and information including information on

the works done for achieving SDGs targets identified for Azerbaijan, achievements obtained, best practices, lessons learned that facilitate speeding up the process of achieving SDGs, implementation of the best practices of other countries, challenges arising during the implementation process, activities aimed to eliminate them and information on the support required (technical and financial including capacity building) were collected, systematized, analyzed and consolidated. Various discussions were organized for the concerned parties. As per SDGs, national policy documents (strategy, program, plan and etc.) were subject to the integrated rapid evaluation. Analyses as well as quantitative and qualitative assessment of statistic and administrative information on SDGs indicators were carried out, future steps were identified and conclusions were made.

UNDP-fast integrated assessment tools, assessment of the performance gaps, SDGs evaluation schedule, composite indexes and panels, SDGs related current and new analysis tools were used along with traditional analytical-statistical and qualitative analysis and evaluation tools during the review development process.

Information provision: SDGs related scientific theoretical and practical literature, UNDP adopted resolutions, declarations and other official decision-making documents, regulations, recommendations and other concerned administrative information, materials on best practices of other countries including their relevant reports, laws, legal prudential acts, strategy, concept, program and other official documents adopted in the Republic of Azerbaijan, the information on the works done for achieving SDGs targets determined for Azerbaijan, achievements obtained, as well as statistic and administrative information on the relevant indicators characterizing challenges provided by the SSC, the concerned ministries, and other government bodies, available reviews and reports were broadly used during the review development process.

Credibility provision: Various verification methods were used during the review development process to ensure the required depths and reliability of the collected administrative and statistic information and conclusions made. In order to ensure correctness and strengthen the quality of the review content, both qualitative and quantitative tools were used and information sources and conclusions were trilaterally checked (by working group, experts and coordination group).

The review development process can be divided into 3 **stages** below:

▪ **Preparation stage:** this stage envisions the collection, systematization and review of the documents, materials, and information used in the review, as well as identification of the methodology and development of plan and discussions with the concerned parties.

▪ **Review development stage:** this stage envisions the conduct of the required analysis and consultations in accordance with the plan approved by the management team, preparation of the summary of the initial results (first draft) and their submission to the concerned authorities, and development and submission of the final draft with the view of the comments and recommendations received.

▪ **Finalization stage:** This stage envisions the review, approval of the final draft of the review by the management team and its circulation among major counterparts.

The review was presented by the government of Azerbaijan at the High-level Policy Forum and regarded by the counterparts of the government bodies as the first major document in the process of establishing sustainable and inclusive reporting on SDGs.

Arising challenges: Challenges faced during the review development process were mainly due to the weak coordination among different institutions, non availability of the information on a number of indicators or a relevant methodology. In some cases, available information were not classified (not disaggregated) by gender, age groups,

residency (urban/rural) or administrative/regional zones. This led to restrictions of the scope and depth of analysis, assessment and conclusions.

3. ACHIEVEMENTS ON THE MILLENNIUM DEVELOPMENT GOALS

Azerbaijan together with the majority of the UN member countries adopted the Millennium Declaration identifying eight global Millennium Development Goals (MDGs) at the "Millennium Summit" conducted at New York City, the US during September 6-8, 2000, aimed at determining general framework for creating important positive changes in the lives of people all around the world during the period till 2015.

Like other countries who signed Declaration, the Republic of Azerbaijan started activities on bringing MDGs in compliance with local needs, including determination of base years, targets, monitoring indicators targets, and also started identifying policy measures and other activities which are important for achieving these goals. In order to implement these activities purposefully and systematically, a special state commission was set up in accordance with the Order of the President of Azerbaijan Republic dated 2 March, 2011. The commission was chaired by the Prime Minister and entrusted to develop the State Program on Poverty Reduction. In a short period of time an interim document was prepared. The document was discussed and approved by local and international partners in July 2001.

The development of the major document was initiated thereafter. In order to develop the major document, 15 sectorial working groups consisting of representatives of government, academic institutions and civil societies was set up. In order to coordinate the activities and participation of the working groups, Secretariat consisting of local and international experts was set up under the Ministry of Economic development (currently Ministry of Economy). As a result, the State Program of the Republic of Azerbaijan on Poverty Reduction and Economic Development (SPPRED) for 2003-2005 was prepared. The Program was in true sense of general character and didn't cover just separate sectors or regions. Upon the approval of the Program by the Decree of the President of Azerbaijan Republic on 20 February, 2003, its implementation started and was successfully finalized.

All the Program measures had funding sources envisioned in the Middle-term Expenditure Strategy, and monitoring indicators were determined for evaluating and monitoring these measures. While developing SPPRED, its goals were determined with the view of the UNDP Millennium Declaration goals. The SPPRED duration was 3 years (2003—2005). Each year implemented measures were monitored and evaluated and relevant amendments were done to the Program with the view of the efficiency of the implemented measures. When and as The SPPRED was over, the "2008-2015 State Program on Poverty Reduction and Sustainable Development" (SPPRSD) was developed in accordance with the Decree of the President of Azerbaijan Republic dated 15 September, 2008 to ensure sustainability of the MDGs works. The SPPRSD was also successfully implemented.

The implementation of these Programs was seriously supported by other policy documents, measures and activities. Therefore, Azerbaijan managed to make visible progress on MDGs (see table 3.1) despite some deficiencies as seen from the Table like misbalance in the issues on income, rural/urban, regional and gender (gender balance in Parliament and senior positions), some of which are still available, Azerbaijan made big progress in poverty reduction, achieving universal education, reducing maternal and infant mortality, strengthening the fight against dangerous infectious and other diseases, ensuring environmental sustainability. Furthermore, by paying special attention to the least developed countries, Azerbaijan successfully demonstrated its growing role in international cooperation.

Table 3.1. Summary of the achievements on MDGs

Goals	The major achievements
Goal 1: Elimination of extreme poverty and hunger	<p>Extreme poverty and hunger are not more relevant for Azerbaijan. The government policy was aimed at the reducing of the absolute level of poverty. In accordance with SSC SShB, the level of absolute poverty reduced from 49.0% to 4.9% in the country during 2001-2015 whereas the level of extreme poverty reduced to the unbelievable level (<0.1).</p> <p>During the years of 2003-2015, the share of the poorest quintile consumption increased from 12.2% to 15.4%.</p> <p>the share of under-weighted children under 5 years, dropped from 6.8% to 0.6% during 2001-2015.</p>
Goal 2: Achievement of universal primary education	<p>The goal has been already achieved. Though, the country has high indicators in this area, some of the indicators keep improving in recent years.</p> <p>In 2000-2015 years the level of education among 15-24 aged persons has been increased by 100% and the mentioned indicator is similar both for women and men.</p> <p>In 2000-2015 years the net enrollment ratio in primary education increased to 99.8%. The mentioned indicator has increased to 99.9% among men and to 99.7% among women</p> <p>In 2000-2015 years the ratio of primary education finalization increased from 92.8% to 100% This indicator increased to 100% among men and to 99.9% among women.</p>
Goal 3: Provision of gender balance and provide women with powers	<p>There is some progress in gender balance on envisioned targets</p> <p>In 2000-2015 years the level of female unemployment reduced more than by twice, decreasing from 12.7% to 5.9%.</p> <p>In 2015 years the Gender Parity Index on education enrollment rate made 0.99, at higher education - 0.99 and secondary education - 1.07.</p> <p>In 2000-2015 years the number of women in Parliament increased from 10.7% to 16.8%.</p>
Goal 4: Reduction of child mortality	<p>In 2000-2015 years the infant mortality rate of children up to 5 years among each 100 live births reduced from 30.5 to 13.3.</p> <p>In 2000-2015 years the infant mortality rate (out of 100 live births) reduced from 16.4 to 11.0.</p> <p>In 2000-2015 years the level of vaccination against measles for 1-year-old children was at 98.1%.</p>
Goal 5: Improvement of maternal health	<p>In 2000-2015 years the maternal mortality level (death rate for every 100,000 live births) decreased from 37.6 to 14.4.</p> <p>In 2000-2015 years the proportion of birth delivery with the participation of qualified medical personnel has increased from 92.1% to 99.8%.</p>
Goal 6: HIV / AIDS. Fight against malaria and other diseases	<p>By the end of 2015 total number of HIV / AIDS infected people registered in Azerbaijan made 5629 people where as among citizens made 5439 people, the share of the population living with HIV is 0.06%.</p> <p>In 2000-2015 years the cases of malaria (per 100,000 population) decreased from 19.4 to 0.</p> <p>In 2000-2015 years cases of tuberculosis infection (per 100,000 population) Reduced since 1786 from 101 to 1, record rate from 64.5 to 41.9, mortality rate dropped from 5.1 to 14.9.</p>
Goal 7: Provision of environmental sustainability	<p>In 2000-2015 years as a result of sustainable afforestation and reforestation activities, the total area of forest land recorded 12.0% of the country's territory. At the same time, in order to protect the biodiversity, the total land area of the protected nature land areas increased by more than 2 times, from the rate of 5% to 10.3% (4298.6 square kilometers to more than 8925.5 square kilometers).</p>

	The share of the population with access to improved drinking water reached 89.2% in 2015.
	The share of the population with access to improved sewerage services increased up to 94.3% in 2015.
	The essential works have been done on resettlement of the people living in the inhabitable living areas (with limited access to normal housing, as well as sewage and other sanitary services), especially refugees and internally displaced persons, to houses with the normal living conditions, renovation of such venues and making them habitable, cleaning dumps. As a result, the ratio of refugees and displaced persons living in a "suitable" places increased up to 60.0% in 2015.
Goal 8: Development of a global partnership for progress	In 2005-2015 years the ratio of Internet users per 100 people increased from 8 to 77.
	In 2005-2015 years the ratio of personal computers per 100 people increased from 15.0 to 69.9
	In 2000-2015 years the ratio of wired telephone lines per 100 people increased from 10 to 16.
	In 2000-2015 years the ratio of mobile phone numbers per 100 people increased from 5.3 to 112.
	In 2000-2015 years unemployment rate of youth (15-24) decreased from 22.0%. up to 13.4%. This indicator dropped from 25.4% to 15.8% among women.

Source: [2, 5; 6; 11]

At present, the government of Azerbaijan implements measures aimed at reducing dependence on oil and gas revenues, strengthening and increasing MDGs achievements, eliminating gaps in this direction (income, rural / urban, regional and gender issues).

Ministry of Economy (Ministry of Economic Development at that time) was coordinating government agency coordinating the implementation of the MDGs, including supervision and monitoring of the implementation process.

While fulfilling obligations on MDGs, the Ministry of Economy closely cooperated with SSC, concerned ministries other government institutions, scientific and academic institutions, civil societies and international development institutions, especially with representative offices of UNDP, WB, IMF in Azerbaijan. Reports on MDGs were prepared with the UNDP technical support.

The authorities in charge for the process of achieving the MDGs encountered main challenges due some parallelism happening sometimes between local and international partners, weaknesses in collection process of statics and administrative data important for monitoring and evaluation resulting in generating data gaps, especially it refers to data collection on gender issues, age groups, living places (urban/rural), sectors and regional/administrative rayons classification (being disaggregated). To eliminate the challenges, the Secretariat of SPPRED and working groups together with local and international counterparts implemented measures and projects aimed at strengthening the capacity of relevant institutions and improving the situation in the specific areas. Since these projects and measures have been usually very successful, these activities can be regarded as best practices.

At the same time, civil societies build their capacities during the process of MDGs implementation. While developing reports on MDGs relevant targets and indicators were analyzed. The indicators of each of the 8 MDGs goals were compared with the information obtained since 1990. Some important studies conducted by research institutions have contributed to the completion of the data gaps during the monitoring process. All the efforts helped the country's capacities meet the development agenda prepared at the global level. These capacities and experiences are regarded as a positive step in the process of achieving SDGS.

The analysis of the MDGs related works that were done in Azerbaijan demonstrated the below listed terms facilitated the achievement of MDGs:

- By demonstrating the political will in achieving MDGs in Azerbaijan, country-specific targets and indicators on MDGs were determined and were intergrated to the national development strategy via adoption of state programs (SPPRED and SPPRSD);

- By demonstrating political will in effecient spending of the oil revenue the State Oil Fund of Azerbaijan Republic was established and "Long-term strategy for the management of oil and gas revenues" was adopted;

- Azerbaijan has a comparative advantage in human resources. There is an overall literacy in the country. However, the government is implementing additional measures to make investments in human capital. Thus, " 2007-2015 State Program on Azerbaijani Youth Education Abroad" (approved by the Presidential Decree dated 16 April 2007) have been adopted and successfully implemented;

- The government of Azerbaijan gained the credit of international organizations which led, in its own turn, to the joint fruitful cooperation This was clearly demonstrated during the development and implemetation process of SPPRED and SPPRSD.;

- Azerbaija demonstared its determintion in improving its public adminstration and in adding additional national MDGs. The government of Azerbaijan involved civil socities in the process of achieving of MDGs and was able to effectively work together in this direction.

Encouraged by the acievements on MDGs, the government of Azerbaijan decided to apply the experience gained during the process and relevant approaches to the SDGs implementation process by adapting them to the new goals and terms.

4. SUSTAINABLE DEVELOPMENT ISSUES IN THE DEVELOPMENT AGENDA OF AZERBAIJAN

4.1. STARTING SITUATION AND INITIAL CONDITIONS

Obviously, the process of achieving SDGs along with the steps taken in this direction have their impact on the positive or negative role of common factors in the development of the country, including the initial situation and conditions.

General context. After gaining independence in 1991, Azerbaijan set to transit from planned to market economy and became upper middle-income country choosing path of dynamic economic development. Benefiting from growth stimulated with revenues obtained from oil and gas exploration and export within two last decades, it remained one of the most rapidly developing economies in the world and gradually became the country which has been improving its position on the regional arena during several years.

In 2001-2015 Azerbaijan efforts in attaining MDGs further increased socio-economic development of the country. During this period poverty level dropped from 49% to 4.9%, hunger and extreme poverty were eradicated (in this regard, situation of less than 5% of population with insufficient nutrition is similar to that in developed countries. Compared to 2000, in 2015 average life expectancy at birth in Azerbaijan increased by 3.4 years, expected education period – by 2.3 years and average education period – by 0.6 years. In 2010 Azerbaijan went beyond middle-income level countries group and was classified in upper middle-income category. In 2014 and 2015 Azerbaijan ranked 78th among 188 countries and territories (with 0.751 score in 2014 and 0.759 in 2015) in Human Development Index. Since 2010 Azerbaijan has been above average human development index of European and Central Asian countries. In 2015 human development index of Azerbaijan was 0.759 while in European and Central Asian countries the index was 0.756. [15].

Initial policy and socio-economic conditions. During first years of independence socio-economic development in Azerbaijan was severely affected with developments unfolding in political and socio-economic areas caused by collapse of USSR. Like in all post-socialist countries, transformation processes caused decline in production, employment, increased inflation and aggravated other related socio-economic problems which stipulated sharp decline in income and living standards of population. For example, according to State Statistics Committee (SSC), compared to 1990, in 1994 GDP dropped by 52.5%, industrial production – by 61.7%, agricultural production – by 41.3%, consumption – by 86.5%, the country's gold and foreign currency reserves depleted, annual inflation reached 1763.5%. As a result, real average wages declined by 83.7% and per capita real cash income dropped 3.9 times.

Within this period the Republic of Azerbaijan faced severe political (unstable political situation in 1991-1993), military (military aggression of the Republic of Armenia against Azerbaijan), economic (sudden break-up of decades-long trade and production cooperation relations with the former USSR republics caused sharp decline in production level, most enterprises had to limit or stop operations, massive unemployment emerged, real wages of population dropped, inflation accelerated to hyperinflation level) problems that further aggravated the situation.

Benefiting from political developments and chaos which was unfolding in the former USSR in late 1980s, Armenia launched ethnic cleansing when over 350,000 Azerbaijanis were forcefully deported from their home places (the current Republic of Armenia) and became refugees. Also, since early 1990s Armenia committed military aggression against Azerbaijan and occupied 20% of its territory (former autonomous region of Nagorno-Karabakh and 7 other surrounding regions). Over 789,000 people

from the occupied territories and 110,600 people from areas bordering with Armenia that were set under hostilities fled their home places and became IDPs. During this military aggression over 20,000 Azerbaijanis were killed, 100,000 people were injured, 50,000 were disabled, over 6,000 Azerbaijan citizens were missing or taken hostage and over 1,000,000 Azerbaijanis became refugees and IDPs. Armenian armed forces completely destroyed 900 settlements, 150,000 houses, 7,000 public buildings, 693 schools, 855 kindergartens, 11 vocational schools, 9 comprehensive schools, 1 higher education institution, 2 branches of higher education institutions, 695 medical facilities, 927 libraries, 44 temples, 9 mosques, 473 historical monuments, palaces and museums, 40,000 museum items, 6,000 industrial and agricultural enterprises, 2670 km. of roads, 160 bridges, 2,300 km. water, 2,000 gas, 1,200 km irrigation pipelines and 15,000 electricity lines. 280,000 ha of forests and 1 mln. agricultural lands were devastated during occupation. The working group of 15 members established under resolution of the Cabinet of Ministers of the Republic of Azerbaijan No.51s dated February 26, 2014 with participation of foreign experts estimated that Armenian military aggression caused material and moral damage to Azerbaijan in the approximate amount of over USD 300 bn [24].

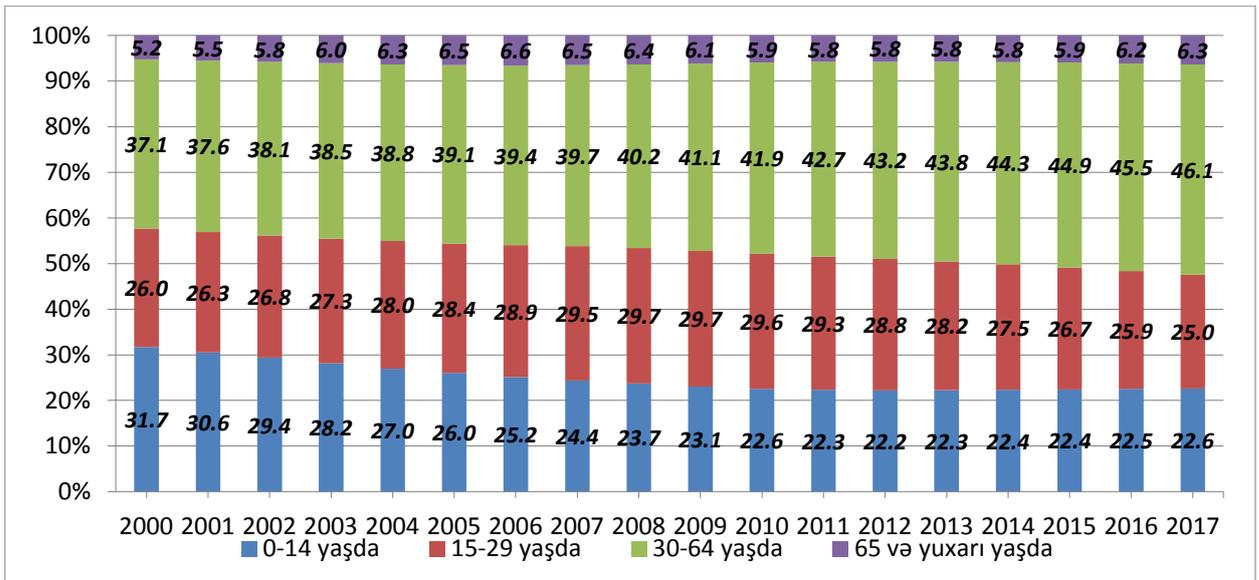
Forced to flee their home places, over 1 mln. people suffered moral and material damage and lost their jobs, thus, massive unemployment emerged in the country and naturally, it impacted both unemployment and poverty level (poverty level among IDPs was 63.0% in 2001 [5]). As a result, education, healthcare and employment indicators among refugees and IDPs significantly dropped below average which adversely affected human development in the country.

Nowadays the ongoing occupation policy of Armenia continues to prevent Azerbaijan from even higher achievements. That occupation policy of Armenia also causes regional fragmentation and prevents full realization of potential of countries in the region.

Demographic situation. As known, the country's socio-economic development is significantly influenced by demographic processes. Analysis shows that after restoration of independence, especially, in last 20 years socio-economic reforms in the Republic of Azerbaijan stipulated improved demography, increased average life expectancy and facilitated migration surplus. According to State Statistics Committee, compared to 2000, population increased by 22.1% (annual average 1.23%) and accounted to 9,810,000 as of early 2017; compared to early 2016 data (9,705,600), growth was 1.08. According to data as of early 2017, 49.86% of population are men, 50.14% are women, 53.0% live in urban areas, 47.0% - in rural areas. During 2000-2017 urban population grew by 26.58% and rural population grew by 17.46% [27]. Within this period growth rate of urban population prevailed over rural population growth rate which shows accelerated urbanization process in the country.

Currently, Azerbaijan is among few European and CIS countries in terms of young population. For example, according to SSC data as of early 2017, youngsters (15-29 y.o.) are 25.0% (26.0% in 2000) and children (0-14 y.o.) are 22.6% (31.7% in 2000) in the population mix. (Diagram 4.1).

Diagram 4.1. Population dynamics by age (beginning of the year, to total population, %)

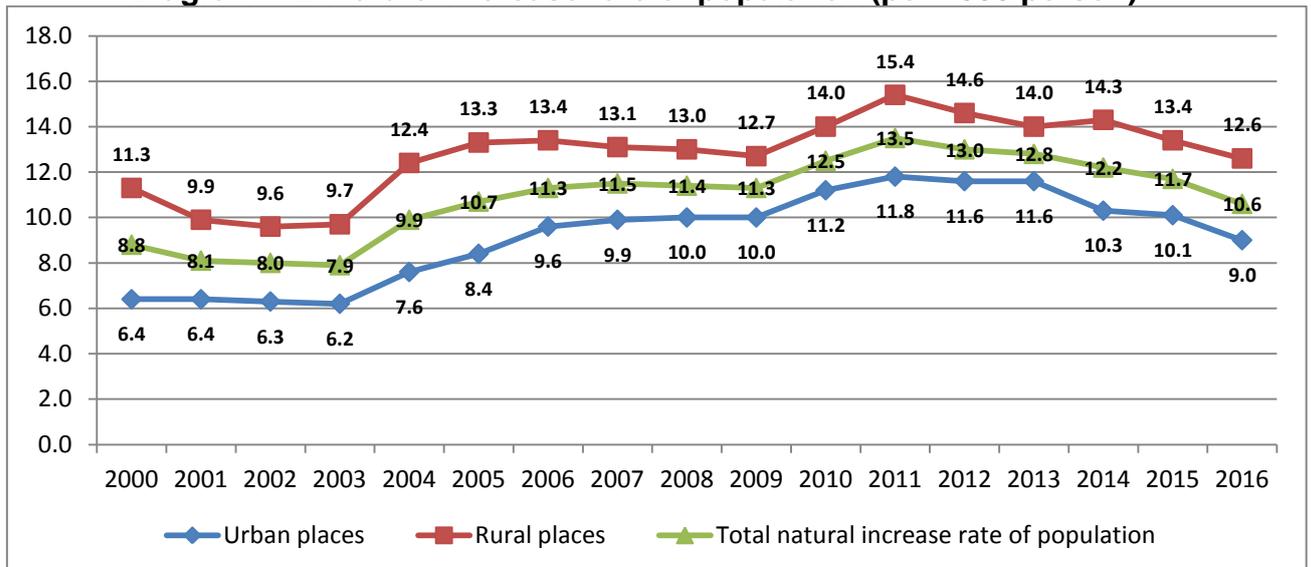


Source: SSC [2].

Diagram 4.1 shows that share of children (0-14 y.o.) decreased by 9.1 percentage points in 2000-2017. Till 2012 this decline was constant while since 2013 upward trend emerged and compared to 2012, in 2017 0.4 percentage point increase was observed. Also, in 2000-2017 share of over 65 y.o. population increased by 1.1 percentage point from 5.2% to 6.3% which shows population ageing. In this period share of 15-64 y.o. population (significantly) increased by 8.0 percentage points from 63.1% to 71.1%. This growth was constant till 2012, since 2013 downward trend emerged and compared to 2012, in 2017 1.0 percentage point decrease was observed.

2000-2015-ci illər ərzində ölkədə əhalinin hər 1000 nəfərinə doğulanların sayının yüksək (16.85 nəfər –orta illik) və ölənlərin sayının aşağı (5.94 nəfər –orta illik) olması əhalinin təbii artım əmsalının yüksək (10.9 nəfər -orta illik) olmasını təmin etmişdir. 2016-cı ildə bu göstəricilər, müvafiq olaraq, 16.5, 5.9 və 10.6 nəfər olmuşdur [Diagram 4.2].

Diagram 4.2. Natural increase rate of population (per 1000 person)



Source: SSC [2; 3].

Socio-economic progress observed in the country, improving well-being of population, healthcare system development positively impacted birth rate and since 2003 birth level gradually increased. For example, in this period total fertility ratio increased from 1.9 to 2.1 in 2015 (Table 4.1). As a result of the described trends and

changes in number of women of reproductive age and their age distribution, number of births per 1000 individuals increased from 13.9 in 2013 to 17.4 in 2015. 2016-cı ildə isə doğulanların sayının bir qədər azalması, ölənlərin sayının isə cüzü artması nəticəsində 16.5 nəfərə düşmüşdür [27].

Table 4.1. Fertility ratio (average number of births per one woman)

	2000	2005	2010	2011	2012	2013	2014	2015	2016
Total	2.0	2.3	2.3	2.4	2.3	2.2	2.2	2.1	2.0
Urban	1.6	2.1	2.1	2.2	2.2	2.1	2.0	2.0	1.9
Rural	2.2	2.5	2.5	2.6	2.5	2.3	2.4	2.2	2.2

Source: SSC [27].

Along with this, boys number increase in live births is observed (in 2016 there were 114 boys per 100 births [27]). Such difference is attributed to preference of boys during pregnancy which is an agenda issue that raises concerns.

In this period, average ratio of every 1000 deaths to live births, which was less than 2.8, and downward trend in deaths (in 2005-2016 number of deaths per 1000 individuals decreased from 6.2 to 5.9) positively influenced population growth.

According to 2016 data, causes of death in descending order are as follows: cardiovascular diseases – 60.2%, neoplasms – 14.6%, diseases of the digestive system – 4.9%, traumas, poisoning, deaths caused by other external shocks - 4.8%, respiratory diseases - 3.2%.

Positive trends in deaths reduction caused increased life expectancy at birth. For example, this indicator was 71.1 years in 1990 (men – 67.0, women – 74.8) increasing to 71.8 years in 2000 (men – 68.6, women – 75.1) and reaching 75.2 years in 2015 (men – 72.7, women – 77.6). This indicator remained stable in total and among women in 2016 and increased among men by 0.1 points reaching 72.8 years.

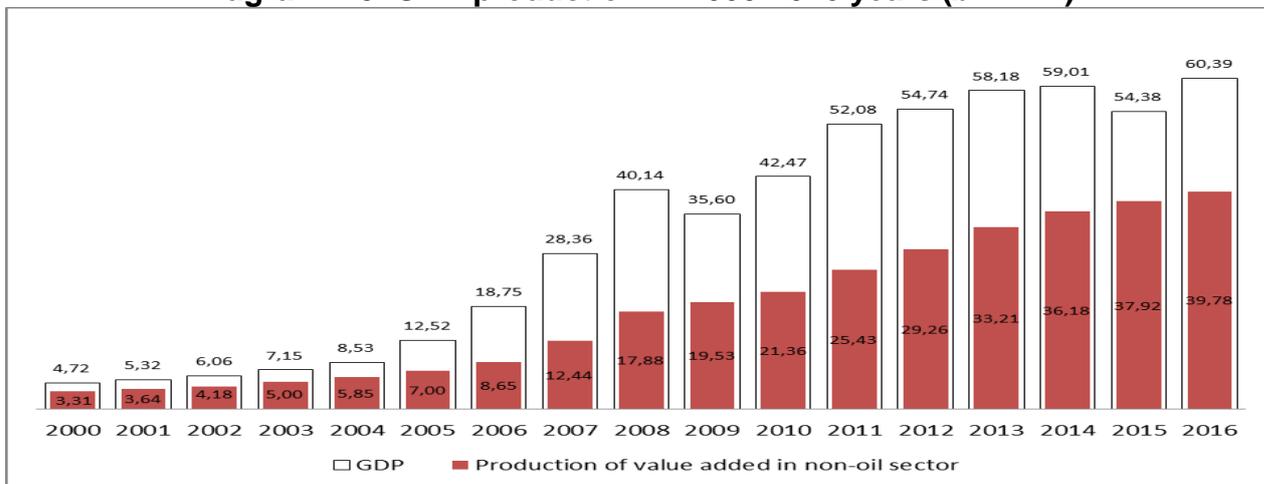
In recent years, there has been a tendency to move from multi-child families to ones with average number of children. Thus, according to census of 1999 and 2009, despite the increase in the number of families with children under the age of 18 (households) by 2.8%, number of families with 3 children (households) dropped by 19.7%, with 4 and more children (households) dropped by 40.8%, and in 2009 was respectively equal to 261.9 thousand and 126.7 thousand families. During this period, there was significant reduction in the share of families with 3 or more children (households). Thus, the share of families with 3 children decreased from 25.5% down to 19.9%, while the share of families with 4 children went down from 16.7% to 9.7%.

In early 90s the migration outflow was substantially intensive. In subsequent years, a result of measures aimed at the country's sustainable socio-economic growth, regional development, opportunities for entrepreneurs and new jobs, improvement of the welfare of citizens and the well-being of the population as a whole the migration saldo was positive and was 1.1 thsd. people since 2008 and until 2015.

Macroeconomic situation. Thanks to the the stabilization policy in the Republic of Azerbaijan that started in 1994, in 1996 the macroeconomic stability was restored and dynamic development started as of since 1997. In subsequent years, further strengthening of the macroeconomic stability and the argeted policy measures to revive the country's oil and gas sector as well as the non-oil sector provided continuity of dynamic economic development. According to the SSC (Diagram 4.3) data, during 2001-2014 the GDP in real terms increased by 4.5-fold to 59.01 billion AZN, and non-oil sector GDP grew by 4 times and reached 36.2 billion AZN. Due to a sharp decline of the world oil prices in 2015, GDP lost 4.6 billion in nominal value, but the rate of real GDP was 1.1% in a result of increases in the non-oil sector growth. The nominal value of GDP in 2016 increase from 6.01 billion AZN to 60.39 billion AZN, but the real value decreased by 3.1% due to the above-mentioned reasons. Dependence on the oil sector

in GDP had declining trend since 2008 and in the last 5 years this trend has become even stronger. Thus, while the share of oil sector in GDP increased from 29.9% in 2000-2007 up to 56.1%, it decreased to 30.3% in 2008-2015. A slight increase of 3.8% in this indicator (34.1%) in 2016 can be attributed to growth of oil prices in the world market in the same year.

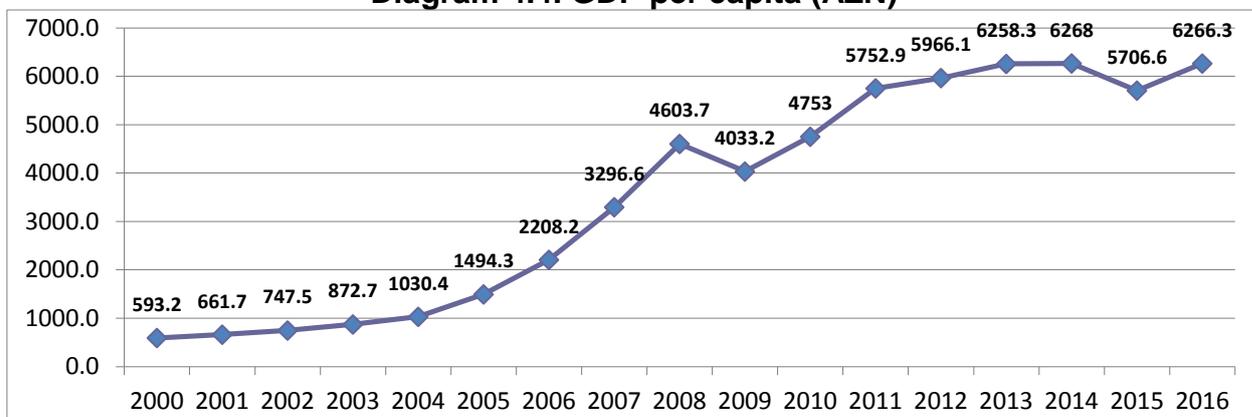
Diagram 4.3. GDP production in 2000-2016 years (bln AZN)



Source: SSC [2: 3].

During 2001-2014 GDP per capita increased by 3.8 times in real terms and in 2014 was equal to 6268.0 AZN (US \$7990.8) (Diagram 4.4). Due to the abovementioned, in 2015 compared to 2014 it decreased by 8.96%, and in 2016 compared to 2015 increased by 9.8% and totaled 6266.3 AZN.

Diagram 4.4. GDP per capita (AZN)



Source: SSC [2].

In addition, the analysis shows that a very high share of "Mineral fuel, oil and oil products," the fact that (2000-2015 average, in 88.7%, in 2016 - 87.0%) in the country's export commodity structure explains economy's high sensitivity to fluctuations of the world oil prices and subsequent growth/decline in oil and gas revenues.

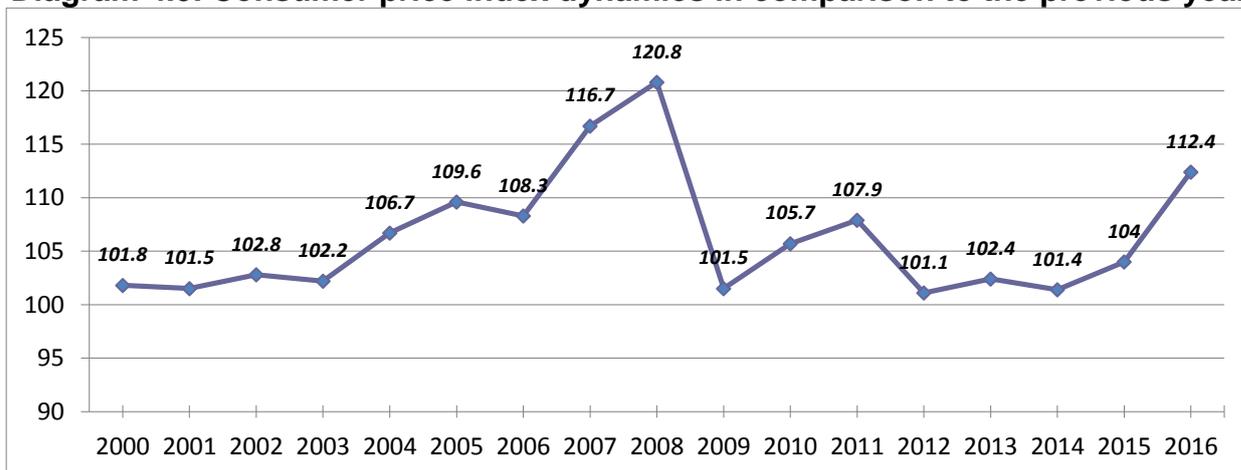
The above-mentioned demonstrates that there is a need to strengthen efforts to increase country's production and export volumes by strengthening of the non-oil sector's production and export capacity, accelerating the diversification of commodity portfolio and improving competitiveness.

There have been number of measure to minimize the effects of inflation stemming from the rapid economic growth if the recent years and growing oil and gas revenues. Pursuant to the Decree of the President of the Republic of Azerbaijan dated 31 May 2005 "On strengthening anti-inflation measures in the Republic of Azerbaijan" a close links was maintained between country's economic and social development indicators

and the state budget expenses and necessary steps were taken to develop the budget on the basis of targeted programs. As a result, except few deviations during the global financial crisis of 2007 and 2008, the inflation in 2000-2015 was maintained at controlled (single-digit) level and even in some years was in the range of 1-3%.

Since 2015, there was a definite increase in the level of inflation as a result of the negative effects of the ongoing economic processes. Thus, the consumer price index compared to 2015 increased by 8.4 percent in 2016 (Diagram 4.5). In this regard, strengthening macroeconomic stability came to the fore and there are number of targeted measures undertaken in this area.

Diagram 4.5. Consumer price index dynamics in comparison to the previous year



Source: SSC [2; 27].

The investment and structural policy plays an important role in the country's socio-economic development processes. Analysis of the data in Table 4.2 shows that during the period of 2000-2015 212.5 billion US dollars were invested into Azerbaijan's economy to strengthen its potential of for more efficient use of the developed potential (47.7% - foreign and up to 52.3% local investments). Compared with 2000, in 2015 (2014) of the volume of total investments in country's economy increased by 13.6 (19.4) times, of foreign investment 11.6 (12.6) times and domestic investments by 17.2 (31.5).

It is noteworthy that during the analyzed period the scope of domestic investments was greater than of foreign. As a result, the share of domestic investments as part of the total investments directed to the country's economy in 2000-2015 (2000-2014 th) years increased from 35.7% to 45.2% (up 58.1%).

In addition, it should be noted that due to the sharp decline of the global oil prices the total volume of investments directed to the country's economy in 2015 dropped by 30%, the volume of foreign investments by 8.4 and the volume of domestic Investments by 45.5%. Thus, the observations says there is a need focus on increasing investment activity in the country.

Table 4.2. Investments to the country's economy

	Total investments		Domestic investments		Foreing investments	
	<i>Mln. US dollars</i>	%	<i>Mln. US dollars</i>	%	<i>Mln. US dollars</i>	%
2000	1441.4	100	514.4	35.7	927	64.3
2005	7118.5	100	2 225.3	31.3	4 893.2	68.7
2010	17591.4	100	9343.6	53.1	8 247.8	46.9
2014	27907.5	100	16209.8	58.1	11697.7	41.9
2015	19547.2	100	8828.1	45.2	10719.1	54.8
2000-2015	212542.2	100	111212.3	52.3	101329.9	47.7

Source: SSC [2; 27].

Development of entrepreneurship. Development of entrepreneurship is one of a priorities in the socio-economic development strategy of Azerbaijani Government. Since

regaining the independence the legal and regulatory framework, institutional and economic mechanisms, as well as the market infrastructure was developed to support the development of entrepreneurship in the country. It worth mentioning adopted laws and other legislative acts to support the development of entrepreneurship, the privatization of state property and state programs designed to support the development of small and medium-sized businesses. On the basis of these laws and programs substantial measures were taken in the field of economy and business regulation, the system to provide entrepreneurs with financial aid and structures rendering necessary technical assistance (advice, information and other) were formed. In order to reduce the tax burden on businesses profit and value-added tax rates were lowered, mandatory insurance fee were reduced, application of the simplified tax regime to match the turnover of small businesses started.

The country's achievements in the field of entrepreneurship can be stated as follows:

- *Systematic approach aimed at the development of entrepreneurship was provided.* The State Programs for the development of entrepreneurship adopted in the country provided consistency of the implemented measures, focused these measures to the implementation of a single strategy. In addition, the protection and promotion of entrepreneurship was coordinated within the public organizations.

- *The basic principles governing the relationship between the state and entrepreneurs determined.* Based on the main directions and principles of the state's long-term socio-economic development strategy, the development of entrepreneurship is based on the formation of a qualitatively new economic relations. These principles formed the core provisions of the obligations undertaken by the state for development of entrepreneurship and responsibility of entrepreneurs in respect of the of the society. The criteria provides for formation of the socio-economic environment enabling to turn principles of of private property and inviolability of personal freedoms into the values, as well as involves the implementation by an entrepreneur of the tasks arising from his social and legal responsibility through their deep understanding.

- *Institutionalization of relations between the state and entrepreneurs.* Ensuring sustainable development of entrepreneurship in the country necessitated an institutional format of partnership between the state and entrepreneurs. In this regard, the establishment of mechanisms (Azerbaijan Export and Investment Promotion Foundation, Azerbaijan Investment Company, the National Entrepreneurship Support Fund, Baku Business Training Center, of Organizations of the National Confederation of Entrepreneurs (Employers) and others) play an important role in the development of civil platform for state-business relations.

The implemented measures helped to liberalize rules and procedures regulating entrepreneurial activity in the country, simplify application of a "single window" system for business registration, significantly increase the advantages of business environment for entrepreneurs, improve the state financial support mechanism for entrepreneurship, including small and medium-sized businesses, further simplify import and export procedures, abolish export duties, reduce the income tax rate to 20% and create effective mechanisms for the protection of the rights of entrepreneurs.

Also the introduction in 2008 of "one window" principle for registration of the business entities in the Azerbaijan Republic enabled to reduce the number of procedures to start a business from 13 to 2, time spent from 53 days to 1 day, and the number of documents required for registration was decreased by more than 5 times. With the introduction of electronic registration of individual entrepreneurs in July 2011, the time spent for registration was reduced from 2 days to few minutes, which in turn helped to increase the share of electronic records. As part of these reforms, since February 2012 the "e-registration" system was introduced for commercial entities. With

the introduction of this new system the time for state registration of limited liability companies with local investment using regular e-registration was reduced from 3 days to 1 day, and with expedited e-registration even to few minutes.

Equalizing the tax burden of legal entities and individual entrepreneurs since 2010 as well as measures to promote entrepreneurship by setting a single tax rate of 20% instead of 35% for physical entities who engage in business activities without establishing a legal entity contributed to the development of business entities and protections of their interests.

In accordance with the amendments to the Tax Code and in order to further modernize the tax administration the electronic tax invoices were introduced as of January 1, 2010.

As a result of the implemented measures a substantial business class in all areas of the economy was formed and the share of private sector in 2016 compared 2000 increased to 83.7% of GDP and reached 72.8% in tax revenues and 75.4% in employment.

Range of policy measures are further implemented in the country in order to ensure strengthening and enhancing of the achievements, as well as the continuity of business development. In this regard, it worth mentioning the Decree of the President of the Republic of Azerbaijan dated December 6, 2016 on the Strategic Road Map "Production of consumer goods by small and medium enterprises". This document defines the main directions of SME development in Azerbaijan for short-term (until 2020), medium (until 2025) and long term (post 2025) periods. The strategic objectives of the development of small and medium-sized enterprises in this document are defined as follows:

- Further improvement of the business environment and regulatory framework to increase the long-term impact of SMEs to country's GDP;
- Providing cost-effective and efficient access to funding sources to create a sustainable network of SMEs;
- Increase the country's foreign exchange reserves and ensure compliance of goods produced in the country with the international standards in order to achieve internationalization of SMEs and increase access to foreign markets;
- Increasing the supply of quality SME products and services to the regional markets by focusing on workforce and SME skills development;
- Promotion of innovation to increase the competitiveness of SMEs, strengthening of research and development in this field.

The goals related to the economic reconstruction of Azerbaijan include the acceleration of the development of entrepreneurship, strengthening the role this sector in solving the country's socio-economic problems, its further adjustment the country's economic development needs, expanding state support measures in this direction and making them more targeted, as well as more complete and effective use of the existing potential in the development of entrepreneurship in the regions.

The country's rating. The country's socio-economic achievements were positively evaluated by the international organizations. So, since the second half of 2008 at the time of the world financial and economic crisis, the Republic of Azerbaijan was the only country where a positive change was observed among the re-assessed countries (Russia, Kazakhstan, China, Spain, Greece and other countries) by "Standard & Poor's" agency. In "December 2008 the international rating agency "Standard & Poor's" set the credit rating of Azerbaijan on short-term loans in foreign and local currency as "B ", for long-term credits as "BB +", since Decemeber 2009 the economic perspective was revised and changed from "Stable" to "Positive" and since 2011 was lifted to "BBB -" maintained at this level until 2015. In addition, since May 2010 "Fitch" raised Azerbaijan's long-term foreign and local currency issuer default ratings to "BBB-".

It also raised country's short-term foreign currency to "F3" and changed the economic perspective as "Stable". 2011-2014 assessment retained the same rating.

Between 2006-2011 "Moody's" international credit agency assigned "Ba1" credit rating to Azerbaijan and assessed the economic perspectives for 2006 as "Stable" and in 2007-2011 as "Positive". Between 2012-2014 this rating agency raised Azerbaijan's rating on long-term credits to "Baa3" and assessed the perspective as "Stable".

"BBB-" and "Baa3" credit ratings granted by the above-mentioned agencies were the clear sign of the increased trust the international financial institutions as well as provided for increase of lending capacity, creating a favorable environment the government and leading companies for issuance of bonds to receive funding for different projects, decrease of the interest rates on loans and insurance premiums for attracted credits, and thus simplifying country's access to the international capital markets, increase of the foreign direct investments, getting better rates for attracted financial resources and improvement of its international image.

"Doing Business 2015" report assigned Azerbaijan 8th place among the top 10 countries implementing the biggest number of reforms. In 2013-2014 the report specifically highlighted the reforms on "property registration", "start of business" and "tax payments" and presented as the best example to other world countries. Moreover, since 2007, 19 reforms implemented in the country ("start a business", "building permits", "property registration", "access to finance", "protection of investors' interests", "tax payment", "enforcing contracts", "foreign trade conduct" and "employee recruitment") were reflected in the "Doing Business" report.

Azerbaijan ranked 63rd place in the "Doing Business 2016" report and country's achievements in "starting a business", "construction permits" and "protection of minority shareholders" were praised.

According to the **UN Development Program's Human Development Report** since 2010 Azerbaijan moved from the group of countries with "medium human development" status to the group of "high human development". Based on the Human Development Reports of 2015 and 2016, Azerbaijan's Human Development Index was 78th among 188 countries and territories (0.751 -2014, 0.759 -2015 points). Since 2010 this index was higher than the average for the countries of Europe and Central Asia (Human Development Index for 2015 is 0.759, for the countries of Europe and Central Asia the index was 0.756) [15].

In the World Economic Forum's "Global Competitiveness Index 2016-2017" Report, Azerbaijan ranked 39th in the world on the "macroeconomic environment" indicator, 37th on the of "gross national savings to GDP ratio", 41st on "the general government debt to GDP ratio", 3rd on the "the number of procedures to start a business" indicator, 9th on "the number of days needed to start a business" indicator and 26th on "labor market efficiency" indicator. If in 2006 report Azerbaijan was ranked 64th among 138 countries, in the latest report it is 37th among 138 countries. It should be noted that for 7 years Azerbaijan maintained its leading position among the CIS countries.

According to the **"Global Innovation Index 2016"** report, Azerbaijan ranks 85th among 128 countries. In particular, the country ranked 93rd on "human capital and research," 123th on "business improvement", and 101st on "knowledge and technological product" indicators. According to the report, strong trends of Azerbaijan are "starting a business convenience" (7), "MFIs total credit growth to GDP ratio" (11), "investments" (13), "internal market development" (27), "integrated energy consumption to GDP ratio" (29), "ICT and the creation of an organizational model" (29) and "the convenience of protection the minority investors" (35).

4.2. POLICY MEASURES ON TRANSITION TO SUSTAINABLE DEVELOPMENT MODEL

Analysis shows that transition to sustainable development model started in Azerbaijan within implementation of MDG. For example, SPPRED və SPPRSD adopted to implement MDG are based on sustainable development concept and in order to ensure implementation of the envisaged goals within the programs, significant reforms were carried out in the country, related legal framework was developed, a number of strategies and State Programs in various areas were prepared and implemented.

In this period for improving social protection of the vulnerable groups of people the laws of the Republic of Azerbaijan on the Minimum Living Standards, Targeted Government Social Assistance, Social Benefits, Labor Pensions, and other regulations were adopted. For the purpose of ensuring employment for active working age population, Employment Strategy of the Republic of Azerbaijan and two State Programs on its implementation (for 2007-2010 and 2011-2015) were adopted and efforts were made in this regard to improve labor market regulation, stimulate demand in workforce and develop human capital, ensure employment for socially vulnerable groups, strengthen social protection of the unemployed and job seekers.

Strategic goals of SPPRED:

- *Create favorable conditions for higher income generation;*
- *Maintain macroeconomic stability;*
- *Improve basic healthcare and education services quality and provide equal access;*
- *Improve infrastructure (including roads, utilities, communication, melioration etc.);*
- *Implement relevant reforms in current social protection system for better protection of vulnerable groups;*
- *Improve living standards of refugees and IDPs.*

Strategic goals of SPPRSD:

- *Maintain macroeconomic stability and ensure sustainable development through balanced non-oil sector development;*
- *Enhance income generation opportunities for people, considerably reduce poor population;*
- *Reduce social risk for the elderly, low income population and socially vulnerable groups through development of efficient social protection system;*
- *Continue comprehensive actions to improve living standards of refugees and IDPs;*
- *Improve basic healthcare and education services quality and provide equal access;*
- *Develop social infrastructure, improve utilities services;*
- *Improve environmental conditions, ensure sustainable environmental management;*
- *Support gender equality;*
- *Continue institutional reforms and improve governance in public sector.*

During MDG implementation period three State Programs on socio-economic development of regions (for 2004-2008, 2009-2013 and 2014-2018) were adopted. These programs implemented significant activities to develop industry and agriculture, improve electricity, heating and gas supply, communication, water supply, sewerage services, use of environmental and natural resources, construction and rehabilitation of education, healthcare, culture and sports facilities which are stimulating factors in sustainable development of the country.

During the reviewed period the following State Programs were adopted and implemented in Azerbaijan on education sector: Program on construction of new comprehensive schools and renovation and provision of modern equipment to the existing schools (2003-2007), Program on upgrade of preschool education (2007-2010), State Program on giving of children (Deinstitutionalization) from state child establishments to the families and Alternative Care (2006-2015), Program on provision of ICT to comprehensive schools (2005-2007), State Program on informatization of education system (2008-2012), State Program on vocational education development

(2007-2012), State Program on reform of higher education system (2009-2013), State Program on overseas education for Azerbaijani youth (2007-2015), State Program on implementation of National Strategy on Development of Science (2009-2015), "State Strategy on Education Development" etc. Within this period along with developing modern legal framework for education, a number of projects were implemented to introduce main principles of Bologna Declaration, upgrade education infrastructure, improve provision of modern information, scientific, methodological materials and textbooks to education institutions, provide staff capacity to remote village schools, modernize preschool and vocational education services.

Within the reviewed period the following laws and programs were adopted and implemented in the following priority healthcare areas: laws of the Republic Azerbaijan on Government care to patients with diabetes disease, on Medicines, Circulation of drug and psychotropic substances and their precursors; Action Programs for 2011-2015 on Diabetes Disease, Cancer, Treatment and Prophylaxis of Thalassemia, Hemophilia etc.; Strategy on Fighting Non-Infectious Diseases in 2015-2020 etc. As a result of reforms in healthcare sector, since February 1, 2008 patients in government-funded medical institutions are treated for free from diabetes, chronic kidney disease, inherited blood and infectious diseases. Efforts were made in the country for detection, prophylaxis and treatment of HIV infected individuals, Law on Fighting HIV, Action Program on immune prophylaxis of infectious diseases for 2011-2015 and Action Program on Fighting HIV-AIDS incidents in 2016-2020 were adopted. Currently, there is the network of medical institutions with modern equipment to fight HIV infection including Republican Center on Fighting AIDS, regional antiretroviral therapy centers in cities and regions in the country.

Considering environmental impact on public health and, indirectly, on social well-being, necessary laws and policy documents were adopted and relevant actions were implemented in this area. It should be specifically noted that during this period sustainable efforts on forestation and forest irrigation were made in the country. In 2008-2015 reforestation was done on 83,877 ha including forest plantation on 25,300 ha with up to 53.2 mln. trees planted.

Government of Azerbaijan makes regular targeted efforts for strengthening and increasing outcomes achieved in transition to sustainable development model. In this regard adoption and implementation of the following policy documents is important:

- "Azerbaijan 2020: Look into the Future" Development Concept. This document was prepared with participation of experts and within broad general public debates and was approved by Decree of President of the Republic of Azerbaijan dated December 29, 2012. "Azerbaijan 2020: Look into the Future" Development Concept includes the following top priorities: creation of highly competitive economy (creation of economic model based on efficient public administration and mature market relations, improved economic structure, non-oil sector development, support to science and innovations, improved transport, transit and logistics infrastructure, balanced regional development); ICT development and transition to information society: human capital development and efficient social protection system (improved public healthcare and health system, creation of modern education system, improved social protection system, gender equality, family, youth capacity and sports development); improved legislation and strengthened institutional capacity; civil society development; cultural heritage preservation and efficient management; environmental protection and ecological balance.

- In accordance with Decree of President of the Republic of Azerbaijan dated December 6, 2016 on Approval of Strategic Road Maps on National Economy and Main Economic Sectors, there are 12 approved strategic road maps on national economy and 11 economic sectors (oil and gas industry (including chemistry), agricultural production and processing, production of consumer goods at SMEs level, heavy industry and

machinery, specialized tourism industry, logistics and trade, affordable housing, vocational education and training, financial services, utilities services (electricity, heating, water and gas supply)). Strategic road maps cover short, medium and long-term periods and include development strategy and action plan till 2020, long-term vision till 2025 and target vision beyond 2025. These documents cover not only development goals and principles but also specific global trends, 360 centigrade economic diagnostics and SWOT analysis of current situation, future actions, required investments and expected outcomes. Medium and long-term economic development will be based on focusing on selected short-term priorities. Strategic road map will ensure all factors that contribute to economic development including communication and cooperation with local and international private sector entities. It will catalyze public investments while private sector will drive economic development.

Along with that, a number of international partnership agreements also specifically focus on sustainable development issues. “UN-Azerbaijan Partnership Framework for 2016-2020” signed on July 12, 2016 can be highlighted as the most universal of these agreements. During preparation, UNAPF considered top priorities specified in Azerbaijan-2020: Look into the Future Development Concept and SDGs beyond 2015. The document specifies three inter-connected strategic priorities: 1. Research on sustainable development and inclusive economic development that cover increasing diversification and dignified work; 2. Strengthening institutional capacity and efficient public and social services; 3. Improved environmental protection, increased sustainability to risk and natural disasters.

These priorities will also include cross-cutting issues like human rights-based approach, gender equality, youth, strengthening monitoring and evaluation capacity (e.g., organizational, technical, management), improved general evidence-based approach.

The following UN agencies are involved in implementation of relevant UNAPF directions: FAO, IFAD, ILO, IOM, UNCTAD, UNDP, UNECE, UNESCO, UNEP, UNHCR, UNICEF, UNIDO, WHO, UNFPA, UNODC, WHO, OHCHR, Regional Center in Istanbul [4].

As shown, priorities in these documents are related to SDGs and policies, actions, other activities aimed at implementation of these priorities are among top ones in the Republic of Azerbaijan and thus, achievement of these goals will make relevant contribution to the common cause of international community.

4.3. THE PLACE OF SUSTAINABLE DEVELOPMENT ISSUES IN LONG-TERM VISION OF COUNTRY'S DEVELOPMENT PROSPECTS

As noted in the previous sections, during 2000-2015 Azerbaijan was one of the top countries in terms of socio-economic development rate. Based on revenues obtained due to successful oil strategy, infrastructure was modernized, non-oil sector development conditions were formed, social well-being improved, government assets increased and strategic foreign currency reserves comparable to GDP volume were established. In the context of sharply declining oil prices, economic crisis in trading partners since 2014 resulted in the country's economic growth weakening, institutional and structural challenges, balance of payments and non-oil budget deficit and developments in banking and financial sector, the need for new economic development approach emerged in Azerbaijan.

Taking into account this need, in accordance with resolution of President of the Republic of Azerbaijan No. 1897 dated March 16, 2016 on Priority Areas of Strategic Road Map on National Economy and Main Economic Sectors, 12 strategic road maps on national economy and 11 economic sectors (oil and gas industry (including chemistry), agricultural production and processing, production of consumer goods at SMEs level, heavy industry and machinery, specialized tourism industry, logistics and trade, affordable housing, vocational education and training, financial services, utilities services (electricity and heating, water and gas supply)) were prepared and approved by Decree of President of the Republic of Azerbaijan dated December 6, 2016 on Approval of Strategic Road Maps on National Economy and Main Economic Sectors. Strategic road maps cover short, medium and long-term and include development strategy and action plan till 2020, long-term vision till 2025 and target vision beyond 2025.

Strategic road maps are policy documents that proclaim new quality development model for the country's advancement and achievement of goals and objectives set in adopted and currently ongoing strategy and program documents including Azerbaijan-2020: Look into the Future Development Concept and take into account modern global and regional developments and challenges and their impact on the country.

These documents emphasize the aim to transit to future post-oil era development model based on the country's sustainable development concept. For example, Strategic Road Map on National Economic Prospects of the Republic of Azerbaijan envisages focusing on advanced sectors that will ensure sustainable development and thus, re-balancing structure of economy from non-trade to trade, from extraction to processing, from government property to private property, from low-tech to high-tech sectors, from low-qualified to high-qualified labor force, from low-income markets to high-income markets and from low added value sectors to high added value sectors. Restructuring of national economy will be made possible through further improvement of business environment, introduction of new policy within short-term expenses strategy, sanation of financial and banking system and floating exchange rate-based monetary policy as well as expanded access to external markets.

Therefore, four strategic targets were selected from national economy perspective. Achievement of these targets and implementation of 11 sectoral strategic maps will make possible sustainable economic development through ensuring balance between financial and real sectors. The first strategic target will ensure fiscal sustainability in Azerbaijan based on floating exchange rate. Connection between fiscal and monetary policies will ensure macroeconomic stability. The second target of national economic perspectives includes increased efficiency of government-owned legal entities that supervise equities (shares) and ensure economic dynamics through privatization. The third target relates to increasing human capital and thus, correlating labor market

development with national economic prospects. Finally, the fourth target envisages further improvement of business climate.

Based on the above-mentioned, the following short, medium and long-term targets for national economic prospects are determined:

Strategic vision till 2020: overcome situation caused by negative external shocks impact on Azerbaijan economy through stabilization in short term, diversification and recovery of development rate with new drivers in medium term, increased competitiveness through further integration to the world economy at the final phase.

Strategic vision till 2020 will serve to develop economic foundation laid for 2025 and beyond. Along with preserving significant role of Azerbaijan in European energy security as well as in development of transport and logistics corridors, it also envisages diversification, consecutive structural adjustments, reduced reliance of state budget and exchange rate on oil revenues and oil prices and further better access to external markets and thus, increasing competitiveness of economy and achieving improved position in the world economy. In this regard along with jobs creation, the focus will be on efforts to reduce poverty through more affordable housing, provision of modern education and healthcare services, improved utilities services and transition from targeted social assistance to rehabilitation.

Long-term vision till 2025: achieve strengthened competitiveness of Azerbaijan economy, that embarked on sustainable development endeavor, through creating more added value by all participants in mutually beneficial cooperation environment.

More investments attraction in the national economy and expanded access to external markets are envisaged in this period. Within this period national economic development will be ensured considering main global and regional trends and will also be based on integration in global and regional value chain. Maintained macroeconomic stability, improved business climate, private sector investments promotion and support by public sector are considered the foundation for economic development prospects of Azerbaijan till 2025.

Target vision beyond 2025: ensure social well-being and maximize human development index and build-up strong competitive and inclusive economy based on high technologies development and optimized economic structure.

It is envisaged that strong middle class, deep focus on competitive advantage, efficient integration to the world economy, assurance of national economic security and well-developed infrastructure are main pillars of target vision beyond 2025. Also, in accordance with SDG, Azerbaijan will continue to adhere to its obligations to implement urgent, bold and transformative actions to make the world sustainable and strong. Therefore, within this period the focus will be on strengthened economic capacity and sustainable economic growth (macroeconomic stability including strengthened fiscal sustainability, creation of favorable business environment, infrastructure development, free access to external markets, strengthened promotion of foreign investments and thus, increased sustainability of economy to external shocks and increased labor productivity, shift from efficiency-based model to innovation-based model, substantial increase of per capita real income of population, acquisition of high-income country status based on World Bank classification, enhanced diversification of economy, non-oil sector development, increased export and foreign currency revenues), improved well-being of population (elimination of poverty in targeted manner, expanded access to high quality education and healthcare services, assurance of food security, more affordable housing, increased efficiency and service level of electricity, water, sewerage, heating and gas supply, enhanced social dialogue and higher inclusive employment) and strengthened environmental protection (reduced carbon emissions in the country and thus, creating conditions for ecologically safer air, water and soil, minimization of energy consumption per unit of production in GDP based on energy efficiency principle,

increase of renewable energy sources in the energy balance of the country, establishment of efficient management system of waste products including hazardous gases, wastewater and radioactive wastes).

The above-mentioned shows that the long-term vision treats sustainable development issues as priorities in economic prospects of Azerbaijan and provides holistic approach to their economic, social and environmental elements. Along with that, the current agenda includes preparation of relevant action plan or national strategy for better coordination of SDG policies and activities and more efficient use of existing resources.

5. POLICY MEASURES AND FAVORABLE ENVIRONMENT ESTABLISHED FOR ACHIEVING SDGs

5.1. NATIONALIZATION OF THE SUSTAINABLE DEVELOPMENT GOALS AND THEIR INTEGRATION INTO THE NATIONAL DEVELOPMENT AGENDA

As in all other countries, the activities for the implementation of the SDGs have started with the nationalization of those and related goals, and their integration into the country's development agenda. At the same time, the UN's Universal Declaration of Human Rights, the "Agenda 21" adopted at Rio de Janeiro-92 conference, including "Main Principles of a Sustainable Development", Millennium Declaration, "2030 Agenda" approved at the Sustainable Development Summit, international agreements on human rights and articles of other such international documents are taken into account, and the following key principles are set forth in the "2030 Agenda" for the implementation of the SDGs within the cooperative approach framework:

- *Universality*: Since the goals and targets of the "2030 Agenda" are of universal character they serve the interests of all the people in the world, target the creation of equal opportunities for everyone and can be applied not only to the developed and developing countries, but to all country types. The concept of SDGs allows for the different approach adjusted at the national level for the implementation of the defined targets. Based on this principle Azerbaijan keeps its focus on the conformity of national goals and targets with the global goals and targets, along with the national priorities, at the time of nationalization and inclusion of the global SDGs, targets and indicators in the country's development agenda.

- *Integrated approach*: "2030 Agenda" takes into account the implementation of activities for achieving SDGs not separately for each goal and economic, social and environmental aspects of the sustainable development, but in a coordinated manner based on an integrated approach. Better planning through cooperation across sectors that makes the integrated approach important and coordination of the policies implemented in the defined directions for more efficient use of the existing resources and opportunities means the possibility of more successful achievements. This is why Azerbaijan chose an approach that encourages coordination of activities and policies between state bodies, preserving the responsibilities of each body, for strengthening coordination across sectors by establishing a single approach.

- *No one left behind*: This principle is reflected in the different universal SDGs to be achieved everywhere in the world and in the targets set as per those (for example, targets for the elimination of the extreme poverty, hunger; the systematic use of the detailed data; approach based on obtaining the quality results; regulatory frameworks and etc.). This principle targets the identification of the countries that are prone to the possibility of being left behind as per each of these targets and implementation of measures to prevent these countries from being left behind. Because of this Azerbaijan re-evaluates its approach, its measures for the support of the development and its opportunities and resources for overcoming the distance in order to catch up with everybody and makes efforts to plan more efficiently for their use, taking into consideration sensitive groups and subjects.

Generally, there is a great interest in the "2030 Agenda" as in the global development program and all stakeholders recognize the relevance of SDGs for the country. All of the ministries and other state bodies are ready to show support for the integration of the SDGs into their work and policies. As per the "no one left behind" principle sensitive groups, including refugees and internally displaced persons, elderly people, people with disabilities, children, youth related issues, gender equality and other such issues are in the spotlight during the implementation process of SDGs.

Nationalization. To nationalize and to integrate the SDGs, and the target and indicators determined as per SDGs, into the country's development agenda the existing strategies, programs and other policy documents in force in the country are reviewed with working groups and partners for compliance with SDGs and plans are prepared to close gaps. To identify the national goals and the related indicators for the sustainable development within the framework of these works the following measures have been taken in cooperation with the working groups and stakeholders:

- At the workshop held on the 18th of November, 2016 the procedure for filling out the tables that reflect the availability of documents at the national level as per targets of the SDGs was explained.

- On January 10-12 extensive discussions were held within the working groups for the identification of national priorities and indicators as per SDGs and the adjustment of the state programs and strategies covering socio-economic sectors in the country as per SDGs.

- On the 11th of January, 2017 a meeting of the working group was held in order to discuss the selection of SDGs targets for the social sectors.

- On the 16th of January, 2017 a meeting was held with the heads of the "Economic Development and Proper Employment", "Social Issues" and "Environmental Issues" working groups and a UN expert in order to assist with the selection of targets for SDGs.

As a result of this work and measures the initial draft of goals, targets and indicators for Azerbaijan was prepared.

The following criteria have been used during selection:

- The reflection of the targets in the strategic program documents;
- The achievement of the sustainable development;
- The compliance of the targets with the national priorities;
- The availability of indicators for evaluating the results.

The following challenges emerged during selection of the targets under SDGs:

- The lack of State Programs, concepts, strategies and etc. as per some subject areas and sectors (1.5, 10.1, 14.6);

- The existence of the documents for some of the targets (3.7, 10.2) in the form of draft projects which are expected to be adopted in the coming years;

- The emergency of the need for the nationalization of indicators (2.c, 8.1, 17.1) for some targets;

- The incompliance of some of the targets (1.1, 2.1, 4.6 –is not actual, 2b, 4b, 8a, 9a, 10a, 10b, 11c) with the country's priorities;

- The lack of clarity for some targets (1.5) and indicators (16.3);

- The lack of the methodologies (1.5.2, 2.5.2, 3.9, 13.1, 14.1, 14.6) for evaluating and determining results.

At the moment the works are continued to be implemented for the prepared draft project and it is expected to be completed till the next reporting cycle.

At the same time Azerbaijani government creates the fundamentals for moving forward the implementation of the "2030 Agenda". For this purpose different measures are implemented as per the direction of UN's "MAPS – Agenda Integration", "Acceleration of SDGs' Activity" and "Policy Support".

Integration. For the integration and development of the "2030 Agenda" at the national and local levels it is planned to be integrated into the national, regional and local plans and budget allocations, accordingly. Because of this the activities for determining the compliance of the goals of the "Azerbaijan 2020: Look Into the Future" Concept and National economy and main sectors of the economy roadmaps with the SDGs and its targets, and identifying gaps have been initiated first.

At the same time, the following national and sector programs and other policy documents that are implemented at the moment or are planned to be approved are being evaluated:

- State Program on Socio-Economic Development of Regions of the Republic of Azerbaijan for 2014-2018 years;
- Food Security Program of the Republic of Azerbaijan;
- “Open Government Initiative National Action Plan for 2016-2018”;
- “State Program for Strengthening Social Protection of Older People (2017-2021)” draft;
- State Program for Improving Mother and Child Health (2014-2020);
- State Program on Compulsory Medical Examination of Children;
- Action Program 2016-2020 for Combating HIV/AIDS;
- Action Program 2016-2020 for Combating Tuberculosis;
- Strategy for Combating Non-Infectious Diseases for 2015-2020 in the Republic of Azerbaijan;
- 2013-2018 State Program on Fight Against Illegal Trafficking of Narcotic Drugs, Psychotropic Substances and Their Precursors and Drug Abuse;
- Action Program on Immunoprophylaxis of Infectious Diseases Among Children in 2016-2020;
- The National Action Plan for years 2014-2018 on Combating Trafficking in Human Beings in the Republic of Azerbaijan;
- The Action Plan for the implementation of the “National Strategy for the Development of the Education in the Republic of Azerbaijan”;
- National Strategy for the Development of the Education in the Republic of Azerbaijan;
- Youth Development Strategy of Azerbaijan in 2015-2025;
- “Azerbaijani Youth in 2017-2021 State Program” draft;
- National Program for Action to Raise Effectiveness of the Protection of Human Rights and Freedoms in the Republic of Azerbaijan;
- National Plan of Action on Women Issues in the Republic of Azerbaijan;
- “State Program on Improvement of Living Conditions of Refugees and Internally Displaced Persons and Employment Promotion” and the additions made to it on 31st of October, 2007 and 21st of February, 2011;
- State Program on Socio-Economic Development of Baku City and Its Suburbs;
- State Program for the Development of Industry in the Republic of Azerbaijan in 2015-2020;
- “About creation of the legal entity of the public law "ABAD" in subordination of the State agency on rendering services to citizens and social innovations in case of the President of the Azerbaijan Republic” decree 1047 of the President of the Azerbaijan Republic dated September 23, 2016.
- “Employment Strategy of the Republic of Azerbaijan (2017-2030)” draft;
- The Action Plan for the Goals and Directions of the Strategic Plan of the Ministry of Energy of the Republic of Azerbaijan for 2015-2020;
- “Long-Term Action Plan for the Use of the Alternative and Renewable Energy Sources in the Republic of Azerbaijan for 2016-2020”;
- “Financing of the Investment Projects for the Development of the Tourism Sector Presented by the Local Entrepreneurs through the Republic of Azerbaijan National Fund for Entrepreneurship Support for 2017-2020” draft;
- “State Program on the Improvement of Justice in Azerbaijan” draft;
- “Azerbaijan: Country Partnership Strategy (2014-2018)” by Asian Development Bank;

- The agreements signed between EU and Azerbaijan and the programs being implemented;
- “State Program on Energy Sector Development till 2030” draft;
- “Long-Term Action Plan for the Efficient Use of Energy in the Republic of Azerbaijan for 2016-2020”;
- “State Program on the Development of Demography and Population (2017-2030)” draft;
- “State Program on Restoration and Preservation of Historical-Cultural Monuments and Improvement and Development of Functionality of Cultural Reserves (2014-2020)”;
- “State Program on the Improvement of Environmental Situation and Efficient Use of Natural Resources in the Republic of Azerbaijan for 2016-2020” draft;
- “National Strategy of the Republic of Azerbaijan on Conservation and Sustainable Use of Biodiversity for 2017-2020”;
- “Action Plan for 2016-2018 for the Sectors Covered by the Ministry of Ecology and Natural Resources”;
- “National Action Plan for Combating Desertification in 2018-2022” draft;
- Action Plan of “Azersu” OJS;
- Related regulatory legal acts and international agreements, contracts and programs.

This analysis also aids in establishing an institutional framework that allows solving the existing problems on the way to achieving SDGs and closing gaps that may occur during implementation quickly and effectively. During this period an integrated approach towards the three pillar stones – economic, social and environmental – of a sustainable institutional framework development are kept in the spotlight.

UNDP wished to supply technical facilities and direction to assist each of the sector ministries in this task.

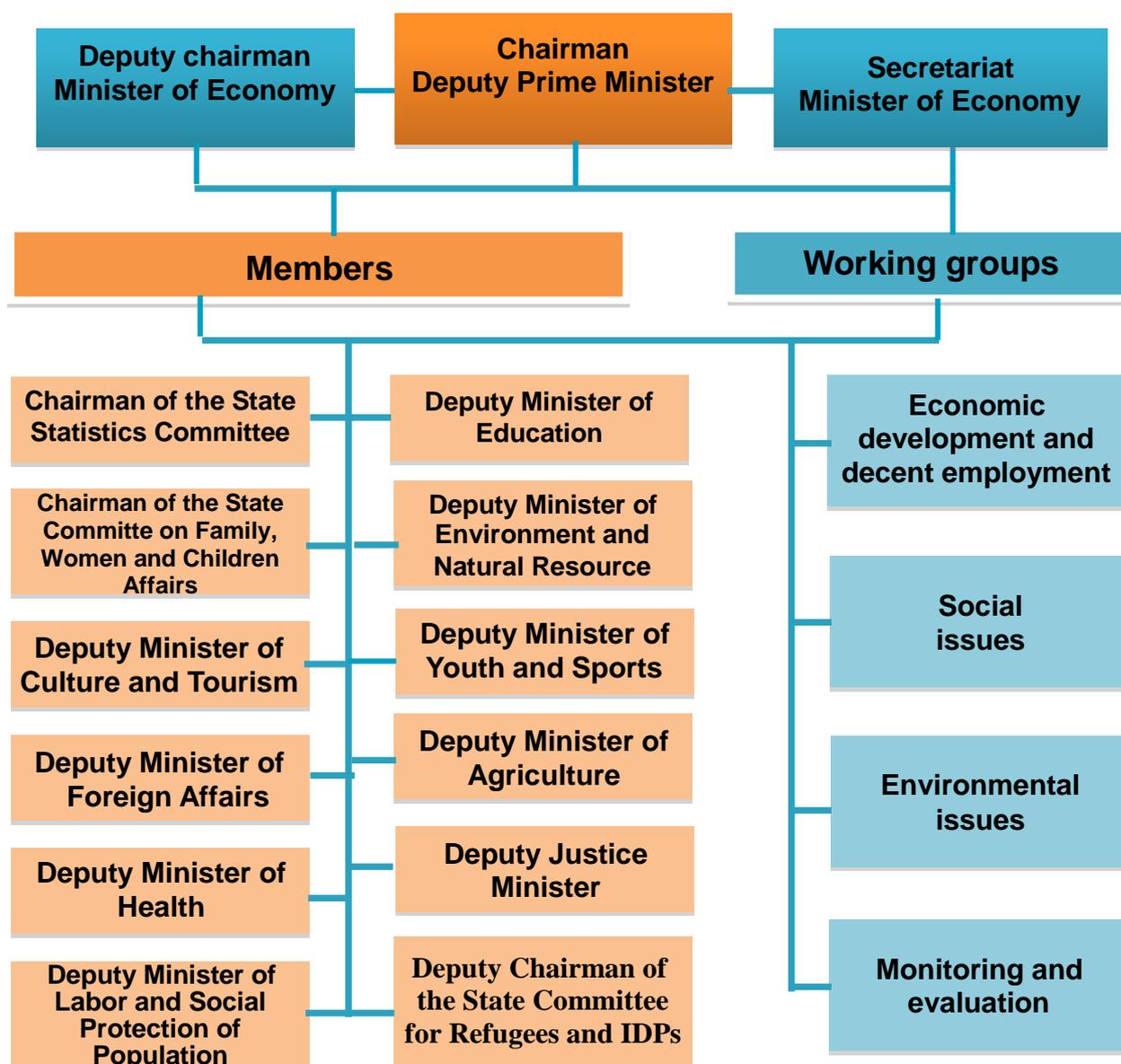
The important responsibilities fall on the local executive bodies for achieving SDGs. While it is important for the centralized government to determine the goals on the country level and allocate mandates for achieving those goals, the responsibility for the local implementation falls on the regional and local executive bodies. Because of this close attention is paid to ensure the inclusion of the national and regional/local executive bodies in the action plans for SDGs. At the same time, the Council, the Secretariat and inter-sector Working Groups responsible for the coordination of SDGs’ implementation are also working to establish necessary mechanisms to ensure vertical and horizontal coordination between national, regional and local executive bodies on a highest level.

It is planned to include SDGs in the development agenda and complete their nationalization, including organisation of a forum on a high level for the discussion of all draft project documents and related action plans prepared on this topic to reach a common agreement on and to confirm them. UN Country Office expressed its interest in the organizational support for this event.

5.2. INSTITUTIONAL MECHANISMS

With the purpose to coordinate the implementation of tasks entrusted to each government agency under the commitments undertaken from "2030 Agenda", the President of the Republic of Azerbaijan issued a decree on October 6, 2016, to establish the National Coordination Council for Sustainable Development of Azerbaijan Republic.

The National Coordination Council for Sustainable Development of Azerbaijan Republic



The main objectives and areas of activity of the National Coordination Council for Sustainable Development consists of the following:

- Identification of the national priorities of Azerbaijan until 2030 and related indicators that correspond with the global goals and targets;
- Ensuring alignment of the state programs and strategies in country's socio-economic areas with the SDGs;
- Preparation and submission of national annual progress reports to the President of Azerbaijan Republic;

- Involvement of local and foreign experts, international organizations and scientific circles;
- Establish working groups on different areas under SDGs.

Based on the Decree and with the purpose of ensuring the operation of the Council the task for establishment of the Secretariat and implementation of its was delegated to the Ministry of Economy and on January 17 for this purpose the Ministry issued an order to create the Secretariat.

With the purpose of efficient organization of the Council the following 4 working groups composed of representatives of the competent state bodies were established:

- Economic growth and decent employment;
- Social issues;
- Environmental issues;
- Monitoring and evaluation.

The working group includes representatives from the following government agencies.

- The Ministry of Internal Affairs of the Republic of Azerbaijan;
- The Ministry of Ecology and Natural Resources of the Republic of Azerbaijan;
- Ministry of Energy of the Republic of Azerbaijan;
- Ministry of Emergency Situations of the Republic of Azerbaijan;
- The Ministry of Youth and Sports of the Republic of Azerbaijan;
- The Ministry of Agriculture of the Republic of Azerbaijan;
- The Ministry of Finance of the Republic of Azerbaijan;
- The Ministry of Culture and Tourism of the Republic of Azerbaijan;
- The Ministry of Transport Communications and Information Technology of the Republic of Azerbaijan;
- The Ministry of Health of the Republic of Azerbaijan;
- The Ministry of Education of the Republic of Azerbaijan;
- The Ministry of Taxes of the Republic of Azerbaijan;
- The Ministry of Foreign Affairs of the Republic of Azerbaijan;
- The Ministry of Economy of the Republic of Azerbaijan;
- The Ministry of Justice of the Republic of Azerbaijan;
- The Ministry of Labor and Social Protection of the Republic of Azerbaijan;
- Azerbaijan National Academy of Sciences;
- The State Statistics Committee;
- The State Committee on Family, Women and Children's Affairs of the Republic of Azerbaijan;
- The State Committee for Urban Planning and Architecture of the Republic of Azerbaijan;
- The State Committee on Refugees and Internally Displaced Persons of the Republic of Azerbaijan;
- The State Property Committee of the Republic of Azerbaijan;
- The State Oil Company of the Azerbaijan Republic;
- The State Migration Service of the Republic of Azerbaijan;
- Irrigation and Water Management OJSC of the Republic of Azerbaijan;
- The General Prosecutor's Office of the Republic of Azerbaijan;
- Azerbaijani Human Rights Commissioner (Ombudsman);
- The State Agency on Housing Construction under the President of the Republic of Azerbaijan;
- Azerbaijan National Agency for Mine Action;
- The State Agency for Alternative and Renewable Energy Sources;
- The State Agency on Public Service and Social Innovations under the President of the Republic of Azerbaijan;

- The State Agency for Compulsory Medical Insurance under the Cabinet of Ministers of the Republic of Azerbaijan;
- Financial Markets Supervision Chamber of the Republic of Azerbaijan.
- The Central Bank of the Republic of Azerbaijan.

Currently, the NCCSD, with the support of the Secretariat and the Working groups, is making efforts to intensify activities in the following areas: Ensure broad based and inclusive stakeholder participation; Translate global sustainable development goals, targets and indicators to the national context; Identify of national priorities and sustainable development gaps; Articulate inclusive and rights-based national strategies and policies; Coordinate and promote collaboration among various government agencies and ministries; Secure coherence among development partners to align with national priorities; Design national reporting and review framework, and links to regional and global reviews; Identify needs and opportunities for capacity development.

5.3. IMPLEMENTATION TOOLS AND RESOURCES

Achievement of sustainable development goals (SDGs) requires mobilization of all capacity of local and international partners. Efforts are being made to set up this activity in Azerbaijan in the same fashion. First of all, work is underway to mobilize government agencies and their capacities, as well as appropriate means and resources through the established Council, the Secretariat and working groups. In addition, measures are being taken to nationalize global SDGs and related targets and indicators, to include them in the country's development agenda, to organize the implementation, to establish a monitoring, evaluation and reporting system, to attract financial resources including local and foreign investment, to develop an action plan for the elimination of gaps, etc. Efforts are also being made to actively involve public and private sectors' tools and resources in these processes.

In addition, work is also conducted with international partners. From this point of view, cooperation with UNDP is already making its contribution. That is, some preparatory work has been started in connection with the application of UN instruments "Acceleration of activities related to SDGs" and "Policy Support" in conjunction with the UN Office in the country in order to move forward in implementation of the 2030 Agenda in Azerbaijan. Besides, the "Support for bringing SDGs in line with national priorities" project covering a one-year period has also been launched with the UNDP and intensive work is carried out in the following areas:

- Monitoring and evaluation of the alignment of SDGs with national priorities and their nationalization (MAPS Mission);
- Policy support for adapting SDGs to national policies and selecting key priorities (SDG Accelerators);
- Support for capacity building related to SDGs at the local and international levels.

The work has been initiated as part of the "Acceleration of activities related to SDGs" instrument in the search for potential opportunities for issues such as clarification of sources of resources, as well as strengthening interdisciplinary efforts and cooperation, increasing funding and improving assessment in order to channel the opportunities and resources available in the country towards the priority areas identified in the process of "Introduction of the agenda".

The "Policy Support" instrument allows the least expensive and fastest possible use of the opportunities and experiences available in the UN development system as support for activities and policies related to SDGs. Within the framework of this instrument, the Government of Azerbaijan and the UN Office are working to determine which opportunities and experiences available in the UN development system are needed in the country and what actions should be performed to use them.

At the same time, negotiations are underway with other international development agencies. Azerbaijan needs the support of international partners on issues such as Official Development Assistance (ODA), diversification and increase of exports in the non-oil sector, raising the technological level of the production and technical capacity, enhancing innovation and modernizing the economic regulation system. To this end, the possibilities for regional and south-south cooperation are being considered.

The government of Azerbaijan plans to finalize the nationalization of the global SDGs by the end of this year and then to hold a joint conference with the UN Country Office to discuss the means of implementation of the nationalized "2030 Agenda" in 2018. It is expected that the conference will play an important role in identifying new drivers and starting points for economic reforms and development to create broad opportunities for accelerating development in various sectors of the national economy and throughout the country and involving the entire population of Azerbaijan in the process related to SDGs and ensuring that they ultimately benefit from this.

5.4. OWNERSHIP, PARTICIPATION AND PUBLIC AWARENESS RAISING

Since the adoption of SDGs requires extensive consultations and high-level coordination between government agencies and local and international partners, the Government of Azerbaijan is interested in involving all partners in this process. Also, the Government considers the national process related to SDGs as a good opportunity to facilitate the continued participation of local stakeholders in dialogue and cooperation for sustainable development. Currently, work is underway in this direction through various formats of dialog. The main criteria here are joint participation, flexible management, transparency and accountability.

Initially, on November 18, 2016, the MOE and the UN Country Office organized a workshop, in which relevant government agencies participated, to clarify respective responsibilities of government agencies related to SDGs, as well as to select goals, targets and indicators corresponding to national priorities and to effectively organize activities of newly formed Working groups. On February 8, 2017, a meeting of Working groups, which have been established under the NCCSD, was held.

At the same time, being guided by the basic obligation related to SDGs, i.e. the principle of "leave no one behind", and having decided to involve all stakeholders in the process of achieving SDGs, the NCCSD together with the UN Country Office conducted group discussions on the implementation of SDGs with the participation of various groups of society (academic circles, civil society, women, youth, parliamentarians).

In this regard, the event on the theme of "The role of science and research in achieving SDGs in Azerbaijan" held on March 16, 2017, with the participation of representatives of academic circles and parliamentarians should be particularly noted. The event was attended by representatives of the National Academy of Sciences of Azerbaijan and sectoral research institutes, researchers from various higher education institutions and representatives of UN agencies, and active discussions were held.

On April 10, 2017, a 45-minute demonstration lesson on the theme of "SDGs: Education can change the world" was conducted in the Educational Complex No.132-134 in Baku, the capital city of the country. At the event, children aged 11 to 14 were informed in detail about issues such as the role of education in changing the world, the results of good education, access to education and education levels in the world and Azerbaijan, the global development goals and the role of education in achieving these goals.

These discussions stated that the government, acting as coordinator for the nationalization of SDGs, was committed to assisting and supporting SDGs-oriented initiatives of civil society institutions, academic circles, business and professional associations and other stakeholders.

The discussions have shown that in the country, it is necessary to intensify efforts in the following areas:

- Measures on raising awareness and establishing dialogue on SDGs should be strengthened in the center, as well as in the regions.

- Establishment of a multi-stakeholder group to support the work of the NCCSD Secretariat (suggested in the discussions with the Chairman of NCCSD and the MOE).

In light of the above-mentioned, the government intends through interaction with local and international partners to create an on-line portal that will raise awareness on national and global SDGs, targets, implementation phases and indicators. It is expected that this on-line portal will be an important tool for participating in consultations on national SDGs, monitoring and reporting process.

Acting as intermediaries in these on-line and off-line processes, local media and civil society institutions will ensure the involvement of all groups and segments of society in these processes. In so doing, the focus will be on hearing the voices of vulnerable segments of the population, including women, youth, the poor, and particularly IDPs and refugees.

5.5. MONITORING, EVALUATION AND ACCOUNTABILITY

The provision of monitoring, evaluation and accountability is an important aspect of the implementation of the 2030 Agenda. To do this, first of all, it is necessary to ensure the availability of statistical systems, physical, material and technical resources, methodologies and mechanisms that will allow tracking and evaluating progress, by involving citizens, parliamentarians, relevant government institutions, civil society institutions and other stakeholders. In this case, attention should be paid to the comprehensiveness of the information. This is particularly important in relation to excluded and marginalized people, who are often either not covered or inadequately covered by the data collection activity at the national level.

At the moment, serious preparatory work is being carried out in connection with the monitoring and evaluation of the results of the work carried out to achieve SDGs. To this end, the division of powers and responsibilities has been carried out within the National Coordination Council for Sustainable Development, the Secretariat and the working groups, and relevant work has been initiated. Thus, the country is carrying out intensive work in the areas of creating a comprehensive database on SDGs, identifying data sources and methodologies for data collection, processing and analysis, preparing reporting forms for relevant targets and indicators and other information that can support the analysis and evaluation of the progress in implementation of SDGs, and collecting, processing, analyzing and evaluating information based on these forms.

Reporting is intended to be ensured through the preparation of periodic annual voluntary national reports and progress reports to be submitted to the country's leadership and the UN High-Level Political Forum on Sustainable Development. The National Coordinating Council for Sustainable Development is responsible for the preparation and submission of reports. These reports are prepared on the basis of analysis and assessment of statistical and administrative data on SDGs, relevant targets and indicators collected from various sources.

This review, which is currently being submitted, is the first National Voluntary Review of the Republic of Azerbaijan on the first measures taken and the work done in connection with the implementation of the 2030 Agenda in the country.

Responsibility for the process of collecting, processing and disseminating data has been assigned to the State Statistical Committee (SSC). For this purpose, the Department for Sustainable Development Statistics has been established within the SSC. The following responsibilities have been assigned to central and local executive power agencies and legal entities whose control packet of stocks (shares) is held by the state:

- provide statistical data on indicators of achievement of SDGs to the State Statistical Committee of the Republic of Azerbaijan;
- present a progress report to the Council.

The following have been identified as the main sources of information for monitoring indicators identified in accordance with SDGs:

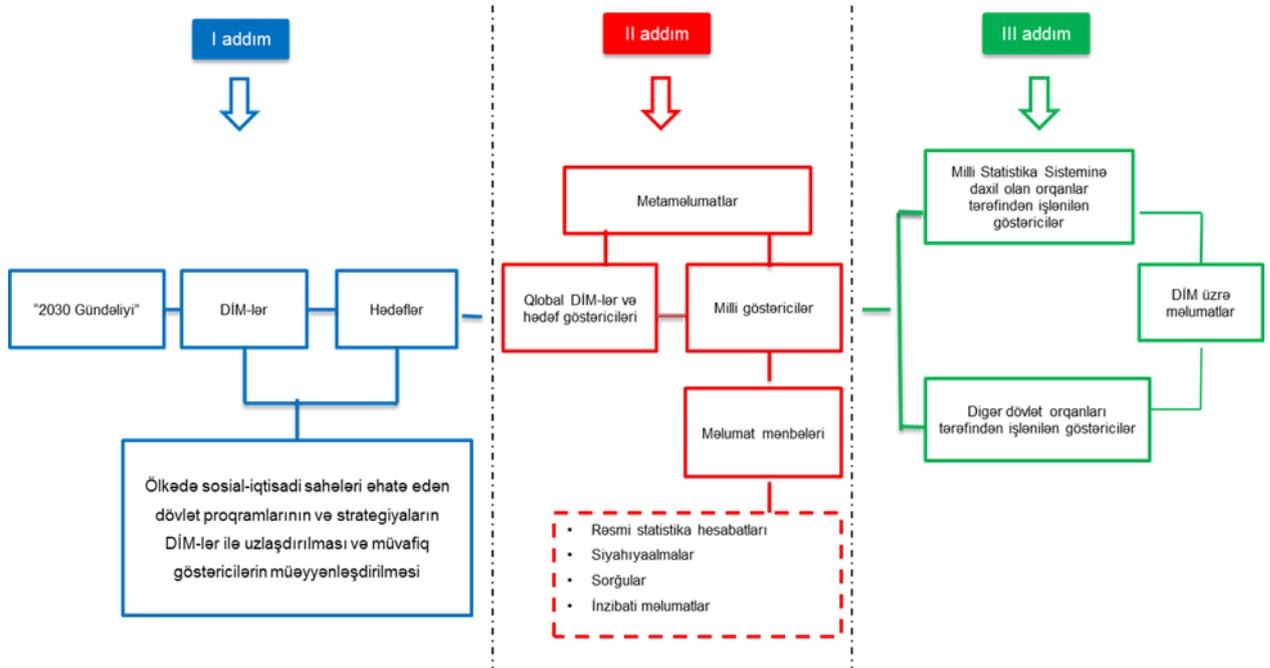
- Statistical observations (official statistical reports, studies, surveys);
- Agricultural census;
- Population census;
- Statistical studies on economic, social and demographic issues;
- Administrative documents and data.

3 working groups covering all spheres of the economy have been established under the leadership of the SSC and with the participation of other relevant government agencies. The main objectives of the creation of these working groups are as follows:

- (i) ensure the expansion of the use of administrative data in official statistics and
- (ii) integrate administrative databases into the statistical database of the SSC

The stages of formation of the National Monitoring Mechanism of SDGs in the country are described in the diagram below.

DİM-lərin Milli Monitoring mexanizmi



Source: [9]

The SSC has reviewed the reporting capabilities for SDG indicators and stated that 70 indicators can be reported based on official statistical data. Besides, it is presumed that there are considerable administrative data, which may cover an additional 30 indicators.

The discussions and studies conducted have shown that there is a need in the country to expand the coverage and deepness of national information systems relating to SDGs and improve their coordination by enhancing their logistical and personnel capacities and software support, and to develop evaluation capacity. The following can be attributed to the activities that will be performed in these areas:

- Identification of indicators and data collection: determining targets and indicators in line with national priorities and reference years and information on reference situation for them;
- Detailed information: the commitment of "leaving no one behind" and avoiding inequality and discrimination in SDGs requires that efforts are channeled from mid-level layers towards the most marginalized population groups. For this, it is necessary to classify the data according to gender, age, income/welfare, location, ethnicity, disability, the fact of being a refugee or IDP and other specific socio-economic characteristics (disaggregation) in accordance with the principle of "leaving no one behind";
- Monitoring and reporting systems: require on-line systems for working with existing data and systems of reporting on those data and information exchange, as well as reporting on key indicators and creating opportunities for both vertical and horizontal coordination,
- Accountability processes and mechanisms: provides for the preparation of a progress report on SDGs adapted at national and regional levels.

Certain measures are currently being taken in the areas mentioned above. UNDP intends to provide some support to the SSC and related institutions in these areas within the framework of supporting the implementation of the agenda in the country.

Further analysis in connection with this support is needed, including:

- Evaluating the potential for use of official and administrative statistical data, in particular "bulk data". Based on the study of how "bulk data" is collected and surveys are conducted, this analysis can determine what additional work is to be done to gradually adapt them to the SDG indicators;
- Evaluating the capacity and identifying needs in the field of information systems, as well as their hardware and software support, in order to improve them;
- Exploring the possibilities of coordinating these processes with the country's achievements in the field of e-governance.

These measures are expected to help create more advanced data collection, monitoring, evaluation and reporting mechanisms that will fully cover the activities of government agencies related to SDGs and link these activities with progress reporting and accountability in respect of SDGs.

6. WORKS PERFORMED AND ACHIEVEMENTS MADE VIS-A-VIS PURPOSES CORRESPONDING TO THEMATIC TOPICS

As is known, "Eradicating poverty and promoting prosperity in a changing world" has been selected as a thematic topic for discussion at the High-Level Forum scheduled to be held on July 17-19, 2017 in the UN headquarters in New York City. It is planned to discuss voluntary national reviews to be prepared by 44 countries under this topic in accordance with the goals No. 1, 2, 3, 5, 9, 14 and 17.

As one of these countries, the first voluntary national review of the Republic of Azerbaijan devotes special focus to the results of analysis and assessments related to the current situation and opportunities vis-a-vis the above-mentioned goals, works performed, initial achievements, problems encountered and measures taken to eliminate them.

GOAL 1. End poverty in all its forms everywhere

	<p>1.1. End extreme poverty, which is measured by the number of people currently living on less than \$1.25 a day, for all people everywhere by 2030.</p> <p>1.2. By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions.</p> <p>1.3. Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable.</p> <p>1.4. By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance.</p> <p>1.5. By 2030, build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters.</p> <p>1.a. Ensure significant mobilization of resources from a variety of sources, including through enhanced development cooperation, in order to provide adequate and predictable means for developing countries, in particular least developed countries, to implement programmes and policies to end poverty in all its dimensions.</p> <p>1.b. Create sound policy frameworks at the national, regional and international levels, based on pro-poor and gender-sensitive development strategies, to support accelerated investment in poverty eradication actions.</p>
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One of the first and most important SDGs is the elimination of all forms of poverty for all people around the world. The main objective of the policy implemented in Azerbaijan to achieve this goal is to bring poverty to the lowest possible level and to improve the welfare of all segments of the population by stepping up anti-poverty measures at all levels.

Joining the Millennium Declaration in 2000, Azerbaijan has implemented comprehensive measures in the fight against poverty and achieved significant results. As a result of the adoption and implementation of a number of state programs, including the State Program on Poverty Reduction and Economic Development (SPPRED) and the State Program on Poverty Reduction and Sustainable Development (SPPRSD), extreme poverty has been eliminated, the absolute poverty rate has been significantly reduced, improvement of people's well-being has been achieved, social protection of socially vulnerable population groups has been strengthened. At present, measures are being taken to consolidate and further increase the achievements in this area.

Poverty level and existing social protection system. Starting from 2001, the share of the population living below the national poverty line (49.0%) decreased 8.6 times standing at 4.9% in 2015, and extreme poverty in the country was eliminated in

2007 (extreme poverty, which was around 10.0% in 2001-2003, fell to 0.5% in 2006 and to less than 0.1% in 2007). During this period, the decline in the poverty level in the country took place against the background of raising the national poverty threshold (24 AZN in 2001, 135.6 AZN in 2015) on a regular basis, which attests to the greater importance of the achieved result.

In 2016, poverty line was 148.5 AZN (increased by 9.4% compared to the previous year) and poverty level was 5.9% (increased by 1 percentage point compared to the previous year). The increase in the poverty level in the past year is due to the negative impact of a sharp decline in oil prices in the world market and, according to forecasts, will be temporary. In particular, it is expected that in the coming years its downward trend will be strengthened.

Today, Azerbaijan is a country that has a social security system that covers quite broad categories of the population and is based on humanistic approaches to vulnerable groups of the population. An inclusive and targeted social protection system has been formed in the country that combines all elements characteristic of social protection. Over the past period, serious reforms have been carried out in this area and a number of steps have been taken to bring the social protection system in line with modern requirements. Through the social protection system of Azerbaijan, 28.3% of the country's population (about 2.8 million people) receive various social payments from the state. Among these social payments, the major ones according to their shares are occupational pensions, targeted state social assistance, social benefits and pensions assigned by the President of the Republic of Azerbaijan.

In 2016, a total of 1085 persons were in full public care in social service institutions subordinated to the Ministry of Labor and Social Protection of Population (MLSPP). 1237 social workers provided social household services to 11590 lonely elderly people at home.

In 2016, 7991 persons with disabilities (6097 persons in 2015) received treatment at disability rehabilitation centers and the Prosthetic Orthopedic Rehabilitation Center under the MLSPP. 15296 persons with disabilities were provided with 32764 units of prosthetic orthopedic products and rehabilitation means, including wheelchairs to 1124 persons, hearing aid to 665 persons with disabilities, as well as 2434 units of upper and lower extremity prostheses and orthoses, 4846 pairs of orthopedic shoes, and 23695 units of various rehabilitation means. Besides, the Prosthetic Orthopedic Rehabilitation Center provided itinerant services to about 1000 people in 41 districts of the country.

Targeted state social assistance system as the main driving force for poverty reduction. The targeted state social assistance (TSSA) program has been applied in the country since 2006 as a passive social protection measure. As a social protection tool, TSSA seeks to meet the minimum material needs of the poor and low-income segments of the population.

According to average monthly estimates, 126.7 thousand families (540.2 thousand family members) were provided with targeted social assistance in 2016, which is 25.65 thousand families or 25.4% more than in 2015. On average, 48% of TSSA recipients are men, and 52% are women, 53.2% of those receiving TSSA were children under 18, about 1% were children with health restrictions, 0.27% were persons with disabilities, and 0.68% were recipients of the old-age pension.

In 2016, the average monthly amount of TSSA per family was 156.1 AZN, and the amount per one member of the family was 36.6 AZN.

The funds allocated to finance the TSSA program in the country have also increased significantly since the start of the program. In 2016, 237.3 million AZN were spent for these purposes, which is 6 times more than in 2006.

Poverty-preventing social benefit and pension system. According to MLSPP in 2016, around 7.3% of the country's population or 713.1 thousand persons were assigned and paid monthly or one-off social benefits.

In 2016, 339.1 million AZN were spent to finance social benefits and pensions, which is 35.2 million AZN or 11.6% more than in 2015. In early 2017, the average amount of social benefits 10% and pensions increased by 8.2% compared with the beginning of 2016.

Thanks to the reforms implemented in recent years, the creation of a modern and highly socially effective pension system has been achieved. Since 2006, a new, internationally proven, three-tier (consisting of basic, insurance and savings parts) occupational pension system has been in place. As a result of these reforms, a single state pension system, in which the functions in the fields of social insurance, individual accounting and pension provision complement each other, has been formed. The work of this system has been organized at the level of modern requirements and a mechanism has been created for opening individual accounts of insured persons, maintaining individual records of mandatory state social insurance fees paid on this account and determining the pension rights of citizens in value terms on the basis of data from this account.

Strategy for eradicating poverty through creating decent jobs. Diversification of the economy, which is an important factor in long-term development, and the direction of oil strategy dividends towards ensuring the development of the non-oil sector and regions, are of particular importance for creating new jobs and increasing employment opportunities that are essential in poverty reduction.

Thanks to the revival of the non-oil sector over the past 13 years as a result of consistent state support, more than 1 million 600 thousand jobs have been created in the country with the majority of them being permanent and in regions, and with the regions accounting for 71.4% and the non-government sector of the economy for 84.9% of these jobs. The creation of new jobs contributed to the growth of employment, and the employment rate in 2016 was 62.7%.

In 2005, the unemployment rate was 7.3%, and it has been continuously dropping as a result of the measures carried out and constituted 5% in 2015. For women, this figure was 5.9%, and for men - 4.1%.

15-24 yaşda gənclər arasında işsizlik səviyyəsi 2005-ci ildəki 15.4 faizdən (qadınlar arasında 16.2 faizdən) 2015-ci ildə 13.4 faizədək (qadınlar arasında 15.8 faizədək) azalmışdır. 2015-ci ildə 15-29 yaşda gənclər arasında isə bu göstərici 9.6 faiz (qadınlar arasında 11.6 faiz) təşkil etmişdir.

Social and economic policy that meets modern challenges. The government's social and economic policy aimed at the full satisfaction of the social needs of various categories of the population gives an impetus to the development of the human factor as a whole. As shown in the structure of the state budget expenditures of the Republic of Azerbaijan (Table 6.1), special attention is paid to the problems of people unable to work and earn income for objective reasons. Thus, the share of spendings on social and cultural events in the state budget expenditures shows upward trend and has reached 32.6% in 2016, an increase of 7.6 percentage points compared to 2015.

Table 6.1. Structure of state budget expenditures, in million AZN

Indicators	2010	2011	2012	2013	2014	2015	2016
State budget expenditures - total	11,765.9	15,397.5	17,416.5	19,143.5	18,709.0	17,784.5	17,751.3
including:							
on social and cultural events	2,901.4	3,447.2	4,072.9	4,081.8	4,484.4	4,442.9	5,789.6

of them:							
<i>Education</i>	1,180.8	1,268.5	1,453.2	1,437.7	1,553.9	1,605.1	1,754.4
<i>Healthcare</i>	429.2	493.4	609.4	618.9	665.3	708.2	702.5
<i>Social protection and social security</i>	1,123.0	1,495.4	1,769.5	1,750.3	1,971.2	1,857.2	2,645.3
<i>Culture, art, information, physical education and activities in a field not related to other categories</i>	168.4	189.9	240.8	274.9	294.0	272.4	687.4

Source: Ministry of Finance

Along with providing the necessary assistance to free market economic relations, free competition, private ownership and the development of entrepreneurship, the government also does not forget about the layer of society in need of care and support. Over the 13 years, more than 3 thousand schools and more than 600 medical facilities have been built or undergone major repairs in our country, and more than 250 thousand internally displaced persons have been provided with housing in more than 90 newly built settlements. The literacy rate in the country is 100%.

The main duty of the state in the field of protection of social and economic rights is the implementation of progressive economic and social reforms, ensuring the participation of every citizen in the process of economic development and creating the conditions for everyone to fairly use the available potential in accordance with their skills and abilities. It is for this reason that the economic policy of the Government of Azerbaijan is socially oriented and is based on the best practices of the world states that have developed through a socially oriented market economy. Every year, attention to the social sphere increases even more, which leads to an increase in the well-being of citizens.

Reforms carried out to develop the non-oil sector and entrepreneurship and launch new enterprises have made it possible to reduce poverty, increase the economic activity of the able-bodied population, and ensure the effectiveness of the country's employment strategy.

The share of spendings on education, healthcare and social protection and security in the total state expenditures shows upward trend. The share of these spendings in total state budget expenditures has reached 28.76% in 2016, an increase of 5.31 percentage points compared to 2015. The ratio of these spendings to the GDP also shows upward trend and has reached 8.5% in 2016, an increase of 0.8 percentage points compared to 2015. In 2016, 1754.4 million AZN was spent from the state budget for education, 702.5 million AZN for healthcare and 2645.2 million AZN for social protection and social security. The fact that the policy implemented in the country is socially oriented suggests a further increase in social spending in the future.

Strategic goals in the field of poverty reduction. As a result of the studies conducted, it can be concluded that the following can be attributed to strategic directions for poverty reduction in Azerbaijan for the period until 2030:

- Increasing flexibility in the social protection system;
- Enhancing the role of active social protection measures, especially employment in the social protection system;
- Expanding coverage, increasing targetedness, and ensuring full equity in the social protection system;
- Expanding access to social services, maximizing the automation of social services and providing them to the population in the form of electronic services;
- Improvement of the pension system;
- Achieving current, medium-term and long-term financial sustainability of the pension system;

- Ensuring that pension provision ensures social protection and a decent standard of living for citizens;
- Application of the voluntary savings component of occupational pensions in real practice and preparation of the basis for the formation and development of non-state pension institutions;
- Unification of social benefits systems;
- Strengthening social protection of the population, especially vulnerable groups, and their social integration;
- Improvement of the quality and targetedness of social services;
- Implementing employment-oriented macroeconomic policies and supporting small and medium-sized enterprises in order to ensure stability in the labor market and expand decent work opportunities;
- Improvement of the legislative framework and institutional structure to improve labor market efficiency and ensure the implementation of flexible policies;
- Development of skills of the workforce, reorganization of the professional development system and adaptation of personnel training to the labor market requirements with the aim of increasing workforce competitiveness and labor productivity;
- Expanding the scope of active labor market measures and increasing their effectiveness in order to ensure inclusive employment;
- Strengthening the integration of population groups that are socially vulnerable and in need of support to the labor market;
- Development of social dialog, strengthening of labor standards and reduction of informal labor relations in order to strengthen the social protection of the unemployed, job-seeking and employed population;
- Formation of an unemployment insurance system;
- Developing the labor market monitoring and forecasting system in order to improve the efficiency of the labor market and employment policy.

GOAL 2. End hunger, achieve food security and improved nutrition, and promote sustainable agriculture

	<p>2.1. By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round.</p> <p>2.2. By 2030, end all forms of malnutrition, including achieving, by 2025, the internationally agreed targets on stunting and wasting in children under 5 years of age, and address the nutritional needs of adolescent girls, pregnant and lactating women and older persons.</p> <p>2.3. By 2030, double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets and opportunities for value addition and non-farm employment.</p> <p>2.4. By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality.</p> <p>2.5. By 2030, maintain the genetic diversity of seeds, cultivated plants and farmed and domesticated animals and their related wild species, including through soundly managed and diversified seed and plant banks at the national, regional and international levels, and promote access to and fair and equitable sharing of benefits arising from the utilization of genetic resources and associated traditional knowledge, as internationally agreed.</p> <p>2.a. Increase investment, including through enhanced international cooperation, in rural infrastructure, agricultural research and extension services, technology development and plant and livestock gene</p>
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banks in order to enhance agricultural productive capacity in developing countries, in particular least developed countries.

2.b. Correct and prevent trade restrictions and distortions in world agricultural markets, including through the parallel elimination of all forms of agricultural export subsidies and all export measures with equivalent effect, in accordance with the mandate of the Doha Development Round.

2.c. Adopt measures to ensure the proper functioning of food commodity markets and their derivatives and facilitate timely access to market information, including on food reserves, in order to help limit extreme food price volatility.

Reliable social protection and food security as a means of preventing hunger and malnutrition. The purposeful policy implemented in Azerbaijan to ensure reliable social protection and food security of the population has prevented extreme poverty and hunger in the country. These issues are no longer relevant for Azerbaijan. Thus, since 2007, the extreme poverty rate (<0.1%) and the share of underweight children aged below 5 (0.6%) in the country have dropped to a negligible level. Therefore, the policy is aimed at reducing the level of absolute poverty and improving the quality of nutrition in the country, and at present reliable food security of the population is one of the main directions of the state's social and economic policy.

As a result of the work carried out within the framework of the "Program for food security of the Azerbaijan Republic" approved by a Presidential Decree in 2001, agricultural and food production has significantly increased. However, it has been impossible to satisfy domestic demand for basic food products through domestic production. The instability observed in the world food markets also affects food prices in Azerbaijan. The "State Program on reliable food supply of population in the Azerbaijan Republic in 2008-2015" was approved by the Decree of August 25, 2008 of the President of the Azerbaijan Republic just to achieve this goal. Besides, strengthening the institutional capacity to ensure sustainable food security is one of the strategic goals set forth in the "Strategic Roadmap for the production and processing of agricultural products in the Azerbaijan Republic" approved by the Decree of December 6, 2016 of the President of the Azerbaijan Republic.

The role of small and medium-sized enterprises in reliable food security. The role of entrepreneurship, especially SMEs, in increasing income and improving food security of the population in Azerbaijan is growing every day. Table 6.2 shows the share of small, medium-sized and large farms in agricultural production in 2015. This gives some idea of the "amount of production in production units by dividing farms / livestock and forest farms into groups according to size" indicator of the 2nd SDG.

Table 6.2. The share of small, medium-sized and large farms in agricultural production in 2015, in percentage

	Small farms	Medium-sized farms	Large farms
Crop farms	80.6	18.8	0.6
Livestock farms	71.7	27.0	1.3
In the total agricultural production	43.6	42.2	14.2
In the crop production	51.3	32.6	16.1
<i>Including</i>			
<i>grain</i>	36.6	36.9	26.5
<i>corn</i>	46.3	13.1	40.6
<i>legumes</i>	94.0	2.9	3.1
<i>vegetable</i>	81.2	10.5	8.4
<i>potato</i>	87.2	9.4	3.4
<i>melon</i>	73.2	26.1	0.7
<i>fruit</i>	48.5	21.2	30.3

<i>grape</i>	27.4	31.2	41.5
<i>cotton</i>	37.5	28.7	33.8
<i>alfalfa</i>	61.8	30.6	7.5
<i>other forage crops</i>	38.6	37.7	23.8
<i>In the livestock production</i>	38.7	48.6	12.7
<i>Including</i>			
<i>beef</i>	41.2	48.4	10.4
<i>cow milk</i>	50.2	42.3	7.4
<i>mutton</i>	16.7	66.6	16.7
<i>sheep milk</i>	33.3	57.5	9.2
<i>wool</i>	14.7	51.4	33.9
<i>poultry meat</i>	56.1	32.4	11.5
<i>egg</i>	34.2	15.4	50.4
<i>honey</i>	54.3	39.7	6.1

Source: 2015 Report of the Farm Data Monitoring System (FDMS) of the Ministry of Agriculture

The Ministry of Agriculture of the Republic of Azerbaijan, with the methodological support of the Food and Agriculture Organization of the United Nations (FAO), has established a Farm Data Monitoring System (FDMS) to regularly assess the results of agrarian policy and the performance of entrepreneurs engaged in agricultural production. The application of this system, created on the basis of the experience of EU Farm Accountancy Data Network (FADN), began in 2015.

The result of the monitoring suggests that in 2015 small farms accounted for 80.6% and 71.7% of crop and livestock farms in the country, respectively. Small farms provided 43.6 % of total agricultural production.

Medium-sized and large farms respectively accounted the remaining 42.6% and 16.1% of the total agricultural production (Table 6.2).

In accordance with the Decree of April 7, 2016 of the President of the Azerbaijan Republic "On additional measures in the field of ensuring self-employment of the population", 6 (six) million AZN was allocated from the Reserve Fund of the President of Azerbaijan Republic envisaged in the 2016 state budget of the Azerbaijan Republic to MLSPP of the Azerbaijan Republic to facilitate self-employment of the population, where 83.6% of the projects that were considered successful covered agriculture (sheep breeding, dairy cattle breeding, meat cattle breeding, poultry farming, installation of greenhouses, creation of incubators).

Based on the Decree No.1047, dated September 23, 2016, of the President of the Azerbaijan Republic, the "ABAD" public legal entity was created under the State Agency for Public Service and Social Innovations . Through this legal entity, it is envisaged to implement projects to support family farms and small and medium-sized enterprises nationwide, create conditions for them use of modern technological production equipment for farm production, provide business planning, marketing, branding and design, finance and accounting, and legal assistance services, organize certification of produced goods in a simplified manner and on the basis of "one-stop shop" principle, and organize transportation and sale of produced goods.

At present, cooperation has been established with 63 families from Masalli, Balakan, Ismayilli, Shaki and Baku working in the field of decorative and applied folk art, which is one of the priority areas for "ABAD" public legal entity towards developing family farms. The "ABAD" store, located on the territory of the State Historical and Architectural Reserve "Icharishahar" in Baku, sells 500 kinds and more than 2000 items of art works and 10 types of agricultural products of these families.

Efficient use of land plays an important role in providing the population with food. In this connection, protection of lands, reclamation of degraded lands and their efficient use are in the focus of attention of the Azerbaijani government.

The data of Table. 6.3, reflecting the dynamics of the share of productive and sustainable agricultural lands, demonstrate a positive trend in this direction in the country.

Table 6.3. Area of arable lands, at the beginning of the year, in thousand hectares

	2010	2011	2012	2013	2014	2015	2016
Area of arable lands (sown land, fallow lands, perennial crops, pastures and hayfields), at the beginning of the year, in thousand hectares	4757.3	4766.8	4768.7	4768.3	4769.8	4769.7	4769.8

Source: According to the data of the State Committee on Property Issues

The total land area of Azerbaijan is 8641.5 thousand hectares, of which 4769.8 thousand hectares or 55.2% are arable lands. In 2016, the arable land area of the country increased by 0.3% compared to 2010 (Table 6.3).

Studies have shown that land degradation happens mainly due to poor land management. It is necessary to take into account the decline in productivity in crop and livestock sectors due to climatic factors such as high temperatures, fluctuations in the nature of precipitation and extreme weather conditions (drought, etc.), expand the use of plant varieties and animal breeds adapted to these changes, and encourage the development of "climate-smart agriculture".

To efficiently use lands, it is necessary to properly regulate the supply of water, nutrients, air and heat to the soil, and to take into account the phenological and biological properties of agricultural crops.

Protection, increasing and efficient use of genetic resources are also an important factor in reliable food security of the population. Taking into account the importance of the issue, the scientific research institutes included in the system of the Agrarian Scientific and Information Advisory Center of the Ministry of Agriculture and the Azerbaijan State Agrarian University conduct scientific researches and experiments in the direction of creating new plant varieties and animal breeds or improving existing varieties and breeds.

New plant varieties are registered in the state register based on the results of the variety trials carried out by the State Service under the Ministry of Agriculture for Registration of Plant Varieties and Seed Control. Table 6.4 below provides information on plant varieties newly created and registered in the state register in 2011-2016.

Table 6.4. Plant varieties registered in the state register during 2011-2016

Plant variety		Number of variety	2011	2013	2014	2015	2016
Cereals and legumes	soft winter wheat	unit	5	2	5	1	3
	hard winter	unit	-	-	-	1	
	winter barley	unit	1	2	1	-	1
	chickpea	unit	-	1	1	-	
	maize	unit	1	-	1	-	2
	mərcimək	unit	-	-	-	-	1
Oil crops	peanut	unit	-	-	1	-	
Forage crops	alfalfa	unit	1	-	1	1	
Industrial crops	cotton	unit	-	1	3	1	4
	tütün	unit	-	-	-	-	1
Vegetable crops	cabbage	unit	-	-	2	4	3
	Tomato	unit	4	-	4	3	20

	aubergine	unit	1	-	1	-	1
	cucumber	unit	1	-	1	3	15
	Onion	unit	1	-	1	-	
	Garlic	unit	-	-	-	1	
	pepper	unit	-	-	1	-	3
	green bean	unit	-	-	2	-	1
	lettuce	unit	-	-	-	3	2
	potato	unit	-	-	-	-	11
Fruit	Apple	unit	-	-	3	2	3
	Feijoa	unit	2	-	2	-	
	Kiwi	unit	-	-	1	-	
Mulberry	Those whose leaves are used for	unit	1	1	-	-	2
Silkworm		unit	4	7	-	11	
Total			22	14	31	31	73

Source: MOAg

Table 6.5 presents information on seeds of grain crops produced and certified by the Agrarian Scientific and Information Advisory Center, state seed-production enterprises and private seed farms during 2014-2016.

Table 6.5. Seeds of cereal crops certified during 2014-2016, in tons

Years	Original	Pre-basic	Basic	R1	R2
2014	26.2	158.75	2181.0	16308.0	44876.0
2015	41.8	200.2	1612.0	22561.0	43068.0
2016	37.8	223.5	2425.2	20951.58	50656.9
Total	105.8	582.45	6218.2	59820.6	138600.9

Source: MOAg

As can be seen from Table 6.5, the volume of cereal crops in the original category in 2016 increased by 11.6 tons or 44.3% compared to 2014. Significant growth was also observed in seed volumes in the Pre-basic, Basic, R1 and R2 seed categories.

The state supports provision of seeds of productive crop varieties and purebred animals to producers to ensure that existing genetic resources are distributed fairly and equally and that producers benefit from them.

Table 6.6 presents information on the state budget funds allocated in 2011-2015 to pay costs for seed farms for the production of certified seeds and seedlings and subsidization of their sale, as well as for the production of original, pre-basic and basic seeds produced by scientific research organizations:

Table 6.6. Direct subsidies provided to seed producers at the expense of state budget funds, in million AZN

Years	For seeds of 1st and 2nd replication	For payment of costs for original, pre-basic and basic seeds
2011	5.8	0.93
2012	7.14	0.93
2013	7.14	0.92
2014	9.8	0.91
2015	5.3	0.92
Total	35.7	4.61

Source: MOAg and MOF

To carry out selection and breeding on a scientific basis and improve the breed composition in livestock farms, high-yielding stud breeds are imported from foreign countries at the expense of funds allocated from the state budget and sold to producers through lease for 3 years, by applying a 50-percent concession to their cost.

Table 6.7 provides information on high-yielding stud breeds imported to the country from abroad in 2011-2015 and provided to producers on favorable lease terms:

Table 6.7. Stud breeds imported and sold to producers on favorable lease terms, by headcount

Years	Cattle	Small ruminants
2011	844	-
2012	3002	-
2013	2563	-
2014	2985	4897
2015	5593	1050
Total	14987	5947

Source: MOAg

State support is provided to artificial insemination in order to improve the breed composition of livestock in farms. In accordance with Decree No.1364, dated August 19, 2015, of the President of the Republic of Azerbaijan "On state support to improvement of breed composition in livestock farming" stipulating provision of a 100 AZN subsidy to livestock owners for every calf born through artificial insemination and the "Rules for providing a subsidy to livestock owners for each calf born through artificial insemination" approved by Decision No.401, dated December 24, 2015, of the Cabinet of Ministers of the Republic of Azerbaijan adopted in connection with the execution of the above decree, 472.2 thousand AZN was paid in the form of subsidies to 4154 livestock owners in 2016.

State support for agriculture is a factor that accelerates its development.

Considering this factor, the state support for agriculture in Azerbaijan is increased every year (Table 6.8).

Table 6.8. Direct subsidies and other measures to support the agricultural sector, in million AZN

Costs	by years, in million AZN				
	2011	2012	2013	2014	2015
Subsidy for wheat and paddy sowing	23.4	25.2	24.9	20.1	17.1
Subsidy for fuel and motor oils	52.8	56.7	57.4	51.8	63.2
Subsidy for preferential sale of mineral fertilizers	13.5	17.98	24.9	29.5	54.8
Subsidy for preferential sale of seeds and seedlings of 1st and 2nd replication	5.8	7.4	7.4	9.8	5.3
Subsidy for costs of production of original, pre-basic and basic seeds	0.93	0.93	0.92	0.91	0.92
Subsidy for preferential sale of agricultural machinery	-	-	-	0.5	11.1
Subsidy for concessionary sale of imported breeding animals	3.1	5.6	6.4	16.4	6.9
Funds allocated to Agroleasing OJSC	35.0	35.0	35.0	35.0	40.0
Total	134.58	148.84	156.95	164.05	199.29

Source: MOAg and MOF

State support in the country covers the following areas:

Subsidy for wheat and paddy sowing - Under Decision No.32, dated February 15, 2007 of the Cabinet of Ministers, agricultural producers are given a 40-AZN subsidy per hectare of wheat and paddy grown. Under the same Decision, agricultural producers are given a subsidy in the amount of 50 AZN (in 2011-2014, 40 AZN) for fuel and motor oils used for every hectare.

Subsidy for concessionary sale of mineral fertilizers - In accordance with the above-mentioned Decision of the Cabinet of Ministers, a 70% concession (in 2011-2014, 50%) is applied to the price of mineral fertilizer used per hectare, at the expense of state budget funds.

Under Decision No.103, dated June 25, 2001 of the Cabinet of Ministers, a subsidy is granted for concessionary sale of seeds and seedlings of 1st and 2nd replication in the approved amount.

Besides, costs of production of original, pre-basic and basic seeds are paid at the expense of state budget funds based on the quota determined by the Cabinet of Ministers

Under Decision No.273, dated August 13, 2014 of the Cabinet of Ministers, when 20% of the original price of agricultural machinery leased by the Agroleasing OJSC is paid, a concession equal to 40% of the original price is applied at the expense of state budget funds.

In accordance with Decision No.226, dated September 22, 2008 of the Cabinet of Ministers, breeding animals imported at the expense of state budget funds are sold to agricultural producers through lease with a 50% concession.

As can be seen from Table 6.9, the costs associated with agriculture are growing every year. Thus, they increased by 13% in 2015 compared to 2011. In addition, the amount of added value created in agriculture increased from 2643.5 million AZN in 2011 and reached 3359.3 million AZN in 2015. The increase in value added created in agriculture has also increased the share of this sector in GDP.

Table 6.9. Index of allocations to agriculture in the structure of state expenditures

Indicators	2011	2012	2013	2014	2015
Agricultural expenditures, in million AZN	1101.7	1214.1	1280.6	1233.7	1245.4
The share of agriculture in total state expenditures, in percent	7.2	7.0	6.7	6.6	7.0
The amount of added value created in the agricultural sector, in million AZN	2643.5	2813.7	3122.2	3139.2	3359.3
The share of agriculture in GDP, in percent	5.1	5.1	5.4	5.3	6.2
Index of allocations to agriculture	1.4	1.4	1.3	1.3	1.1

Source: MOAg and MOF

Indicator of price anomalies of food prices. As part of a project jointly implemented by the Ministry of Agriculture and the UN Food and Agriculture Organization (FAO) as of August 2015, www.azagro.net, an electronic information portal on prices of agricultural products, has been created. Through this, the Ministry of Agriculture regularly collects wholesale and retail prices for 400 varieties of 46 types of fruits, vegetables and melons, and also analyzes price fluctuations.

The information portal on prices of agricultural products was improved in 2017. Thus, the portal has been equipped with a new database covering wholesale and retail

prices, farm-gate prices and supplier purchase prices on livestock products, cereal products, technical crops and some agricultural production means.

GOAL 3 Ensure healthy lives and promote well-being for all at all ages

	<p>3.1. By 2030, reduce the global maternal mortality ratio to less than 70 per 100,000 live births.</p> <p>3.2. By 2030, end preventable deaths of newborns and children under 5 years of age, with all countries aiming to reduce neonatal mortality to at least as low as 12 per 1,000 live births and under-5 mortality to at least as low as 25 per 1,000 live births.</p> <p>3.3. By 2030, end the epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases and combat hepatitis, water-borne diseases and other</p> <p>3.4. By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being.</p> <p>3.5. Strengthen the prevention and treatment of substance abuse, including narcotic drug abuse and harmful use of alcohol.</p> <p>3.6. By 2020, halve the number of global deaths and injuries from road traffic accidents.</p> <p>3.7. By 2030, ensure universal access to sexual and reproductive health-care services, including for family planning, information and education, and the integration of reproductive health into national strategies and programmes.</p> <p>3.8. Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all.</p> <p>3.9. By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination.</p> <p>3.a. Strengthen the implementation of the World Health Organization Framework Convention on Tobacco Control in all countries, as appropriate.</p> <p>3.b. Support the research and development of vaccines and medicines for the communicable and noncommunicable diseases that primarily affect developing countries, provide access to affordable essential medicines and vaccines, in accordance with the Doha Declaration on the TRIPS Agreement and Public Health, which affirms the right of developing countries to use to the full the provisions in the Agreement on Trade Related Aspects of Intellectual Property Rights regarding flexibilities to protect public health, and, in particular, provide access to medicines for all.</p> <p>3.c. Substantially increase health financing and the recruitment, development, training and retention of the health workforce in developing countries, especially in least developed countries and small island developing States.</p> <p>3.d. Strengthen the capacity of all countries, in particular developing countries, for early warning, risk reduction and management of national and global health risks.</p>
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State care for maternal and child health is steadily growing. In Azerbaijan, as elsewhere, a healthy life is considered one of the main conditions for sustainable development. To this end, provision of quality and affordable medical services to the population of the country occupies a special place in the country's social and economic development strategy. There is state care for improving overall public health, including maternal and child health, and further growth of this care is observed as the country's capabilities have been expanding since early 2000s. Thus, the amount of funds allocated from the state budget for healthcare has increased by more than 17.3 times in 2000-2015, and substantial financial resources have been allocated for the construction, repair, restoration and reconstruction of healthcare facilities. In 2016, 702.5 million AZN was allocated from the state budget for healthcare, which accounts for 3.96% of budget expenditures.

In addition, compulsory medical insurance has started to be applied as one of the most important measures in the direction of increasing public access to medical services in Azerbaijan, stimulating provision of high-quality medical services and establishing sustainable financial sources in the field of healthcare. To this end, in 2016, the charter and structure of the State Agency for Compulsory Medical Insurance

under the Cabinet of Ministers of the Republic of Azerbaijan was approved, and work was started in two pilot regions.

By Decision No.211, dated September 15, 2006, of the Cabinet of Ministers of the Republic of Azerbaijan, "Program of Measures on Protection of Maternal and Child Health" was approved. The main goal of the program is to strengthen maternal and child health, protect reproductive health, create the necessary conditions for the birth of healthy and desired children, and reduce morbidity and mortality among mothers and children.

As a follow-up to this program, the "State Program on improvement of maternal and child health for 2014-2020" was approved by the Decree of June 13, 2014 of the President of the Azerbaijan Republic. The main goal of this program is to improve the quality of treatment and preventive care provided to women and children in the country and further improve their health status.

Table 6.10 shows the maternal mortality situation in the country.

Table 6.10. Maternal mortality (per 100 thousand live births)

	2000	2010	2011	2012	2013	2014	2015	2016
Maternal mortality per 100,000 live births	37.6	15.7	15.3	14.9	14.5	14.6	14.4	13.8

Source: SSC

As can be seen from Table 6.10, although maternal mortality increased significantly during the transition period reaching 37.6 per 100,000 live births, the steps taken to improve maternal health in subsequent years have led to improvements in this area. Thus, this figure decreased to 14.4 in 2000-2015 and to 13.8 in 2016.

The increase in the share of births attended by skilled medical staff also had a positive impact on the improvement of the situation in this area during this period (Table 6.11).

Table 6.11. The share of births attended by skilled health personnel

	2000	2010	2011	2012	2013	2014	2015
The share of births attended by skilled medical staff, in percentage	92.1	99.6	99.7	99.8	99.9	99.9	99.8

Source: SSC

During the period under review, the situation with the mortality rate among children under the age of 5 in the country has also improved significantly. Thus, the mortality rate among children under the age of 5 declined from 30.5 to 13.3 per 1,000 live births in 2000-2015 (Table 6.12).

Analyses show that a slight quantitative increase in this indicator in 2015 and 2016 is associated with the negative processes occurring all over the world in these years and is temporary in nature.

Table 6.12. Mortality among children under the age of 5 (per 1,000 live births)

	2000	2010	2011	2012	2013	2014	2015	2016
Mortality among children under the age of 5 (per 1,000 live births)	30.5	14.2	13.5	13.0	12.9	12.6	13.3	13.8

Source:SSC

Neonatal mortality. During 2011-2015, the number of infants who died in the neonatal period dropped from 1152 to 981, or from 6.5 to 5.9 per 1,000 live births. In 2016 neonatal mortality rate dropped to 5.5 per 1,000 live birth.

In addition to the above-mentioned State Programs on the protection of maternal and child health, the Law of the Azerbaijan Republic "On compulsory dispensarization of children" has been adopted. According to the Ministry of Health, more than 92% of children were examined in 2015 as part of the Program on compulsory dispensarization of children. 6% of children who underwent the medical examination were registered with the dispensary, and 1% were hospitalized in specialized medical institutions.

Adopted in 1999, first ever in the region of Eastern Europe and CIS, the "Concept of the demographic development of the Azerbaijan Republic" and, developed on its basis and approved by the Decree of November 11, 2004 of the President of the Azerbaijan Republic, the "State Program on the development of demography and population occupancy in the Azerbaijan Republic" have also played a special role. The measures envisaged by these political documents are aimed at optimal reproduction of the population, prolongation of life expectancy, strengthening of the protection of mothers and children, creation of a socio-economic basis that promotes the development of families, and improving the effectiveness of the regulation of migration processes.

Combating HIV. Important measures are carried out in the Azerbaijan Republic in the field of detection and prevention of HIV and treatment of HIV-infected people, as part of efforts to combat this infection. The adoption of Law No.1001-IIIQ, dated May 11, 2010, of the Azerbaijan Republic "On combating disease caused by human immunodeficiency virus" has laid the groundwork for the implementation of comprehensive measures against this infection.

Azerbaijan is among the countries with a low rate of HIV infection. In total, at the end of 2015, the number of people registered as infected with HIV/AIDS in the country was 5,629. Table 6.13 shows the number of people newly infected with HIV per 1000 healthy people in the period 2010-2015. As can be seen from the table, this indicator has seen a rise from 0.05 to 0.07. An upward trend has been observed in both men and women. In 2015, the figure for men increased by 66.7% compared to 2010 or from 0.06 to 0.1, and for women it increased by 2.5 times or from 0.02 to 0.05.

Table 6.13. Number of people newly infected with HIV per 1,000 healthy people

	2010	2011	2012	2013	2014	2015
Total	0.05	0.06	0.05	0.05	0.06	0.07
including:						
men	0.06	0.09	0.07	0.07	0.08	0.10
women	0.02	0.03	0.03	0.04	0.05	0.05

Source: SSC

On February 17, 2016, the Cabinet of Ministers of the Azerbaijan Republic adopted Decision No.63 on approval of the "Program of Measures to Combat HIV/AIDS for 2016-2020". The Program of Measures has been developed in accordance with "Azerbaijan 2020: Outlook for the Future" Development Concept and will cover a number of measures in the field of combating HIV in the mentioned period.

Other infectious diseases. Analyses show that as a result of consistent and sustained measures, the spread of infectious diseases such as tuberculosis, malaria, hepatitis B and tropical diseases has been prevented, and the incidence of these diseases has decreased (Table 6.14).

Table 6.14. The number of people infected with tuberculosis, malaria, hepatitis B and tropical diseases

	2000	2010	2011	2012	2013	2014	2015

3.3.2. The number of people infected with tuberculosis, per 100,000 population	64.3	53.7	53.4	50.3	48.7	46.6	41.9
3.3.3. Malaria, per 100,000 population	19.4	0.6	0.1	0.03	-	-	-
3.3.4. Hepatitis B, per 100,000 population	2.5	4.1	2.8	2.8	2.4	1.9	1.5
3.3.5. The number of people who need to be treated for tropical diseases but do not get enough attention	Tropical diseases not detected						

Source : SSC and MOH

A number of normative documents have been prepared and the strategies recommended by WHO have been adopted to meet the requirements arising from the Law of the Republic of Azerbaijan "On Combating Tuberculosis in the Republic of Azerbaijan". In addition, the "Action program to combat tuberculosis for 2011-2015", approved by the Decision No.226 of November 26, 2010 of the Cabinet of Ministers of the Republic of Azerbaijan, has been adopted. After the adoption of the program, a number of medical institutions involved in the fight against tuberculosis were built or repaired in the country and their material and technical base was strengthened. As can be seen from Table 6.14, during the implementation of this program, the number of people infected with tuberculosis per 100,000 population decreased from 53.7 in 2010 to 41.9 in 2015.

Following this program, the "Action Program on fight against tuberculosis for 2016-2020" was approved by Decision No.16 of January 28, 2016 of the Cabinet of Ministers of the Azerbaijan Republic. The main objective of the Action Program is to reduce the spread of tuberculosis and the rate of disability and mortality from this disease in the Republic of Azerbaijan. Below are the expected results of this program:

- early detection of cases of the disease;
- increased recovery rate through timely treatment of identified patients;
- prevention of nosocomial infection by strengthening anti-epidemic measures in health facilities;
- improved registration of TB patients;
- reduced incidence of disability and mortality from tuberculosis;;
- raising public awareness of tuberculosis prevention.

Judging from Table 6.14, as a result of the measures carried out, the epidemiological situation with malaria in our country has improved, and in fact, no case of malaria has been registered since 2013, and similarly no cases of tropical diseases have been detected. As for the hepatitis B virus, Decision No.18 made by the WHO Assembly in 2010 has been adopted with a view to strengthening efforts to combat hepatitis viruses in the country. According to this Decision, July 28 was declared as World Hepatitis Day.

According to the Ministry of Health, as part of the ongoing fight against hepatitis B and C in the country in 2016, a commission set up in the Ministry of Health examined 2,648 patients, of which 1,766 are receiving long-term treatment and provided free medicines. Overall, the ratio of people infected with hepatitis B virus, which constituted 4.1 per 100,000 population in 2010, dropped 1.5 per 100,000 people in 2015.

At present, the main task in these areas is to maintain the downward trend.

The fight against cardiovascular disease, cancer, diabetes and chronic respiratory diseases also takes center stage in the country. Studies have shown that

over the past 10 years the incidence of circulatory system in the country has increased by 5%, respiratory diseases by 11%, endocrine system diseases by 2.5 times, including diabetes mellitus by 3.7 times, nervous system disorders by 15%, and malignant neoplasms by 30%. During this period, the global incidence of non-infectious diseases (NIDs) increased by about 14% (Table 6.15). In Azerbaijan, as in most countries, NIDs are the main causes of morbidity and mortality. In the structure of morbidity, NIDs constitute more than 50%, of which 17.6% are circulatory system diseases, 15% respiratory diseases, 15% endocrine system diseases, and 2.7% malignant neoplasms. If we look at the data in Table 6.15, the proportion of deaths from NIDs in total mortality in Azerbaijan has increased over the past 5 years.

Table 6.15. Mortality from cardiovascular disease, cancer, diabetes and chronic respiratory diseases, in percentage

	2000	2010	2011	2012	2013	2014	2015	2016
Mortality from cardiovascular disease, cancer, diabetes and chronic respiratory diseases	78.3	79.6	78.0	78.8	79.5	77.7	78.7	80.5
Mortality from circulatory system	56.1	60.8	61.1	63.3	63.2	59.8	60.0	60.2
Mortality from diabetes	2.3	2.0	1.7	1.6	1.7	1.8	2.3	2.5
Mortality from cancer	10.9	12.4	11.2	10.7	11.8	12.6	13.3	14.6
Mortality from chronic respiratory diseases	9.0	4.4	4.0	3.2	2.8	3.5	3.1	3.2

Source: SSC

As part of the fight against NIDs, the country has developed the "Strategy for combating non-infectious diseases in the Republic of Azerbaijan for 2015-2020" (hereinafter referred to as the Strategy) on the basis of the Development Concept "Azerbaijan 2020: Outlook for the Future" with the aim of improving the health of the population, achieving the greatest possible reduction in the rate of premature deaths from NIDs and increasing public awareness in the fight against disease. This strategy was approved by Order dated December 23, 2015 of the President of the Azerbaijan Republic.

The strategy document approved in respect of NIDs is aimed at combating NIDs in general. However, separate important state documents have also been adopted on the diseases belonging to NIDs. The "State Program on Diabetes Mellitus" covering the period 2006-2010 in accordance with Decision No.101 dated June 7, 2005 of the Cabinet of Ministers of the Azerbaijan Republic pursuant to Decree No.32 dated February 12, 2004 of the President of the Azerbaijan Republic "On the implementation of the Law of the Azerbaijan Republic on state care for people with diabetes mellitus" can be shown as an example. During the period after the adoption of the state program, the provision of patients suffering from diabetes mellitus with medicines has significantly improved, and most patients have been provided with self-monitoring devices, blood glucose meters. In addition, as a logical extension of this State Program, the "Action Program on diabetes mellitus for 2011-2015" was approved by Decision No.222 dated November 26, 2010 of the Cabinet of Ministers of the Azerbaijan Republic. As a result of the action program, diabetes education schools have been created in medical facilities and this network has been expanded for prevention of complications of diabetes mellitus. Currently, such schools operate in Nakhchivan Autonomous Republic,

Baku, Ganja, Sumgait and Mingachevir cities, Salyan, Shirvan, Lankaran, Shaki, Barda and Balakan regions. At the same time, as a result of improving the work to identify patients with diabetes, the number of registered patients over the past 10 years has increased more than 3 times, and the death rate from this disease has decreased by more than 2 times.

Besides, the "State Program on diabetes mellitus disease for 2016-2020" has been approved by Decision No.15 dated January 28, 2016 of the Cabinet of Ministers of the Azerbaijan Republic. As a continuation of previous programs, this State Program was also aimed at prevention of diabetes mellitus, improvement of patient care and prevention of complications caused by this disease.

High rates of morbidity and mortality from malignant tumors give grounds for treating the fight against these diseases as one of the priority areas of the state. In recent years, the mortality rate from neoplasms has increased among the population of the country (Table 6.15). In this regard, the "Action Program on the provision of oncological patients with basic anti-tumor medicines" was approved by Decision No.178 dated July 19, 2006 of the Cabinet of Ministers of the Azerbaijan Republic with a view to improving the quality of treatment of oncological patients in the country and providing them with medicines. After the adoption of the program, significant progress has been made in the fight against malignant tumors. The material and technical base of health facilities providing oncological care has been improved. The National Oncology Center is equipped with the most modern medical equipment, including a mobile diagnostic complex.

The number of chemotherapy drugs purchased for oncological patients, which was 14, 27 and 37 in the period 2006-2008, reached 46 in 2012 [25].

Deaths by suicide (self-murder). In 2015, 240 suicides were registered in the country, and in 2016, 295 suicides were registered, which was about 2.5 cases per 100 000 population in 2015 and constituted 3.1 case in 2016. In 2010-2015, the ratio of deaths from suicide to the total number of deaths by country decreased from 0.6% to 0.4%. In 2016 this indicator constituted 0.5%.

Carrying out the necessary investigative actions in connection with each case of suicide and obtaining expert conclusions of forensic psychiatric and psychological examinations related to each case, the prosecutor's offices have determined the causes and circumstances of occurrence of these cases.

Cədvəldən də göründüyü kimi, əhalinin alkoqolizm, narkomaniya və toksikomaniya ilə xəstələnməsi halları artıma meyillidir. Bu işə, əsasən, narkomaniya üzrə artımla əlaqədardır. Belə ki, 2010-cu illə müqayisədə 2015-ci ildə əhalinin hər 100 000 nəfərinə müalicə - profilaktika müəssisələrində qeydiyyatda olan narkomaniya xəstəliyinə düçar olmuş şəxslərin sayı 21.2 nəfər artaraq 297.9 nəfər təşkil etmişdir. 2016-cı ildə bu göstərici bir qədər də artaraq 303.9 nəfərə çatmışdır. Baxılan dövrdə toksikomaniya xəstəliyinə düçar olanların sayında da artım müşahidə edilmişdir.

Table 6.16.

Əhalinin alkoqolizm, narkomaniya və toksikomaniya ilə xəstələnməsi (əhalinin hər 100 000 nəfərinə müalicə - profilaktika müəssisələrində qeydiyyatda olan xəstələrin sayı, nəfər)

	2000	2005	2010	2011	2012	2013	2014	2015	2016
Diagnosis of mental or behavioral disorder caused by the use of alcohol, drugs or toxic substances,	421.7	441.6	499.7	514.7	532.2	535.5	539.3	526.9	532.2
<i>Of them</i>									

alkoqolizm və alkoqol psixozu	245.1	230.1	221.6	222.9	228.5	230.7	235.2	227.2	226.1
narkomaniya	175.3	210.1	276.7	290.4	302.2	303.3	302.4	297.9	303.9
toksikomaniya	1.3	1.4	1.4	1.4	1.4	1.4	1.6	1.6	1.9
use of several drugs and use of other psychoactive substances,	0.1	0.1	0.1	0.2	0.3

Source: SSC

Taking into account the importance of helping people suffering from drug addiction return to normal life and society, the President of the Azerbaijan Republic approved by Decree No.371 dated July 15, 2000 and Order No.2271 dated June 28, 2007 the "Program on combating illicit trafficking in drugs, psychotropic substances and their precursors and spread of drug addiction" and the "Program on combating illicit trafficking in drugs, psychotropic substances and their precursors and spread of drug addiction (for 2007-2012)" have been successfully implemented.

The "State Program (for 2013-2018) on combating illicit trafficking in drugs, psychotropic substances and their precursors and spread of drug addiction for the next 5-year period, " has been approved by Order No.2966 dated June 24, 2013 of the President. To ensure compliance with sub-item 4.2.7 of the Action Plan for the implementation of this Program, the "Program on treatment, rehabilitation and re-socialization of persons suffering from drug addiction" has been approved by Decision No.276 dated August 13, 2014 of the Cabinet of Ministers of the Azerbaijan Republic.

The number of deaths caused by road accidents. In 2010-2016, the highest rate of deaths from road traffic accidents was in 2013 (1293 people), and the lowest was in 2016 (829 people) (Table 6.17).

Table 6.17. The number of road traffic deaths

	2010	2011	2012	2013	2014	2015	2016
Road traffic deaths, persons	925	1016	1168	1164	1124	894	829
Share in the total number of deaths, in percentage	1.9	2.0	2.2	2.4	2.0	1.7	1.5

Source: SSC

Taking into account the fact that fatal traffic accidents happen mainly at night, strengthening the operational mode of road patrol officers during night hours, warning drivers about hazardous areas (bad road, dangerous bend, etc.) by using flashing light of a road patrol car in areas with a regular incidence of road accidents, and other serious measures have been taken to prevent road accidents.

Ensuring reproductive health. According to available data (from 2011), the share of women in the country being of reproductive age (15-49 years old) and meeting their family planning needs via modern methods constituted 8%. This figure has been taken from the Demographic and Health Survey conducted by the Ministry of Health in 2011. A measure concerning the next survey has been included in the draft "State Program of the Azerbaijan Republic on population occupancy and demographic development (for 2017-2030)".

The share of children born to women aged 15-19 in the total number of live births dropped from 11.9% in 2011 to 11.6% in 2015, and the number of live births per 1,000 women in this age group decreased from 56.7 to 52.4. In 2016 this figure has been 52.8 (Table 6.18).

Table 6.18. Childbirth among adolescents in the respective age groups (15-19 years), per 1000 women

	1990	1995	2000	2010	2011	2012	2013	2014	2015	2016
Childbirth among adolescents in the respective age groups (15-19 years), per 1000	26.7	40.0	29.0	60.0	56.7	53.3	47.2	52.9	52.4	52.8

Source: SSC

Developed first ever in the European and CIS region by Azerbaijani experts and approved by the Ministry of Health, the "National strategy on reproductive health" (2008-2015) has been of great importance.

The Human Rights Commissioner (Ombudsman) of the Azerbaijan Republic has called on the National Parliament to speed up the adoption of the bill "On reproductive health" in order to organize issues related to the protection of reproductive health of the country's population at the level of modern standards.

Besides, work is currently underway in this sphere to prepare the "Reproductive Health Strategy in Azerbaijan" with a view to implementing the tasks being assigned for 2017-2025.

Main health-sanitar services covering. Table 6.19 shows the number of live births and the share of persons treated for infectious and parasitic diseases in the hospital. In 2015, the number of live births increased by 0.3% compared to 2010 and amounted to 166210 people. In the same period, the share of people treated for infectious and parasitic diseases declined from 4.4% to 4%. In 2016 this figure has increased up to 4.5%.

Table 6.19. The share of people treated for infectious and parasitic diseases in the hospital, in percentage

	2010	2011	2012	2013	2014	2015	2016
The number of live births	165643	176072	174469	172671	170503	166210	159464
The share of people treated for infectious and parasitic diseases in the hospital, in percentage	4.4	4.3	4.0	4.2	4.3	4.0	4.5

Source: MOH

Medical insurance. Compulsory medical insurance is implemented as a pilot project in administrative areas of Mingachevir city and Yevlakh district.

In the framework of compulsory medical insurance, 228.1 thousand people (100% of the population) registered in the pilot areas are covered by the basic package of medical services. Insurance coverage of the entire population has been set as a goal for the future, when compulsory medical insurance will be applied throughout the country.

Use of tobacco. As a result of studies conducted by the Ministry of Health of the Azerbaijan Republic in connection with NIDs, it has been found that the vast majority of the occurrence of NIDs is associated with tobacco use, overweight and unhealthy diets. Although in 2013 and 2014, the level of use of tobacco products among people above 15 years of age increased amounting to 18.4% and 18.2%, in 2015 this figure dropped to 17% and in 2016 to 16.2% (Table 6.20).

Table 6.20 Smoking rate among people above 15 years of age

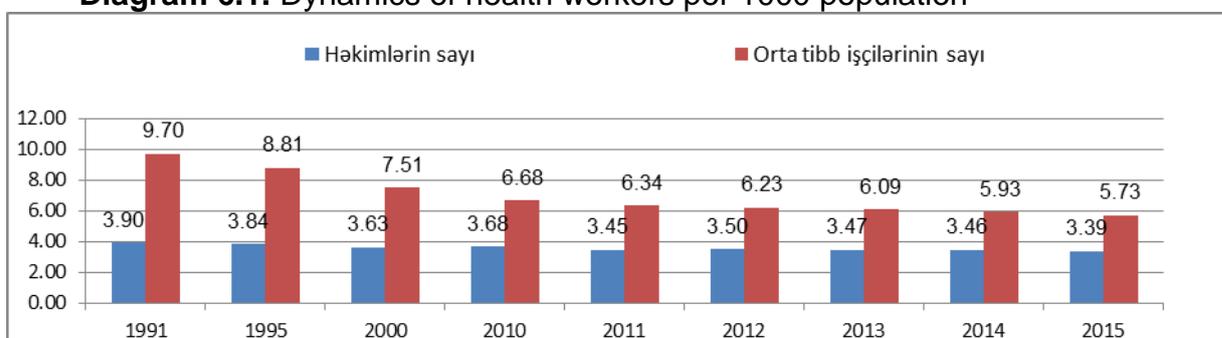
	2010	2011	2012	2013	2014	2015	2016
Smoking rate among people above 15 years of age, in percentage	17.0	16.7	16.5	18.4	18.2	17.0	16.2

Source: SSC

It is expected that the widespread use of effective measures recommended by WHO in combating NIDs will contribute to progress in this direction in the country. Besides, achieving a 10% reduction in tobacco use in the country in 2020 than in 2014 is among the goals of the "Strategy on combating non-infectious diseases in the Azerbaijan Republic for 2015-2020".

Number of health workers. At present, the reforms in the medical education and personnel training system in the country serve the development of healthcare on the basis of international standards. In recent years, extremely important measures have been taken in the country in this area. In this respect, one of the most necessary and important issues is to bring the physician specialties used in the country into conformity with the register adopted in developed countries of the world and to the Law on Education. To this end, the Ministry of Health has prepared a new list of physician specialties for use in institutions. The new list includes 40 different specialties and the nomenclature of positions of the specialists working in healthcare facilities has been approved in accordance with these specialties. In addition, the threshold numbers for providing the population with medical personnel and beds have been determined.

At present, there are 3.39 physicians and 5.73 mid-level health workers per 1,000 population in the health sector (Diagram 6.1). As of January 2011, universally accepted certification of medical workers is being implemented.

Diagram 6.1. Dynamics of health workers per 1000 population

Source: SSC

Azerbaijan Medical University, Azerbaijan State Advanced Training Institute for Doctors, and 11 scientific research institutes and centers are functioning in the country.

GOAL 5. Achieve gender equality and empower all women and girls

5 GENDER
BƏRABƏRLİYİ



5.1. End all forms of discrimination against all women and girls everywhere.

5.2. Eliminate all forms of violence against all women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation.

5.3. Eliminate all harmful practices, such as child, early and forced marriage and female genital mutilation.

5.4. Recognize and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies and the promotion of shared responsibility within the household and the family as nationally appropriate.

5.5. Ensure women's full and effective participation and equal opportunities for leadership at all levels of decisionmaking in political, economic and public life.

5.6. Ensure universal access to sexual and reproductive health and reproductive rights as agreed in accordance with the Programme of Action of the International Conference on Population and Development and the Beijing Platform for Action and the outcome documents of their review conferences.

5.a. Undertake reforms to give women equal rights to economic resources, as well as access to ownership and control over land and other forms of property, financial services, inheritance and natural resources, in accordance with national laws.

5.b. Enhance the use of enabling technology, in particular information and communications technology, to promote the empowerment of women.

5.c. Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels.

The gender problem and ensuring gender equality are among the current problems in Azerbaijan, as in many countries around the world.. Achieving gender equality and empowering women and girls are key to sustainable development. Gender equality is also a necessary prerequisite for reducing poverty, ensuring sustainable development and building good governance. The main goal of the policy pursued in this direction in Azerbaijan is to achieve gender equality by eliminating all forms of gender-based discrimination and creating equal opportunities for men and women in political, economic, social, cultural and other spheres of society life. Protecting women's rights, increasing their social and political activism, and promoting gender equality have always been attached great importance in foreign policy. According to information beginning of 2017 women constituting 50.14% of population of Azerbaijan and share of women is 48.2% in total employed people. The share of women among entrepreneurs has also risen to 20.9%.

Ölkənin ümumi təhsil müəssisələrində müəllimlərin 78.1 faizi, orta ixtisas təhsil müəssisələrində 76.1 faizi, ali təhsil müəssisələrində 51.9 faizi, həkimlərin isə 64.9 faizi qadınlardır. Elmin inkişafında da qadınların müstəsna rolu vardır. Elmi işçilərin 56.0 faizini qadınlar təşkil edir. Son 5 ildə həm elmlər doktoru, həm də fəlsəfə doktoru elmi dərəcəsi olan qadınların sayı 2.0 dəfə artmışdır. Azərbaycan Milli Elmlər Akademiyasının həqiqi üzvlərindən 9-u, müxbir üzvlərindən isə 12-si qadındır.

In 2015, Azerbaijan ranked 86th among 144 countries in Gender Inequality Index with a score of 0.326. This score was 0.340 in 2013 and 0.303 in 2014. It should be noted Gender Inequality Index (GII) is calculated on the basis of three criteria: reproductive health, empowerment (participation in parliament and education level) and labor market indicators. As a result of measures taken so far, gender equality has been

achieved in the field of secondary and higher education (the ratio of educated women aged 15-24 to men of the same age is 100%).

Maintenance of this equality during the rapid social and economic development in the country is one of the main priorities of the Azerbaijani government. Significant progress has been made in eliminating gender inequality at all levels of education. Ümumi təhsil müəssisələrində şagirdlərin 46.5 faizi, ali təhsil müəssisələrinin tələbələrinin 48.3 faizi qızlardır. In institutions of secondary vocational education, girls predominate (66.4%).

The following can be attributed to the **regulatory legislative framework that promotes and ensures gender equality and non-discrimination**:

- Constitution of Azerbaijan Republic, Family Code, Labor Code, Criminal Code, Civil Code and Administrative Offenses Code;
- Decree No. 289 dated March 6, 2000 of the President of the Azerbaijan Republic "On the implementation of the state policy regarding women in Azerbaijan";
- "Charter of the State Committee of the Azerbaijan Republic for Family, Women and Children Affairs" approved by Decree No.444 dated August 9, 2006 of the President of the Azerbaijan Republic;
- Law No.150-IIIQ dated October 10, 2006 of the Azerbaijan Republic "On guarantees of gender (men and women) equality", and Law dated June 22, 2010 of the Azerbaijan Republic "On prevention of domestic violence";
- In accordance with Decree dated January 14, 1998, the State Committee for Women's Issues was established to implement the gender policy. On the basis of the competences of the State Committee for Women's Issues created in 1998, the State Committee for Family, Women and Children Affairs was established under Decree dated February 6, 2006 of the President of the Azerbaijan Republic.

Also, Azerbaijan has acceded to all major international agreements in the field of gender equality, including the CEDAW, the Beijing Declaration and Platform for Action, the Millennium Declaration and the Millennium Development Goals.

The gender equality strategy for 2014-2017 adopted by the United Nations Development Program (UNDP) provides for issues such as the development of gender equality and the empowerment of women.

According to the Demographic and Health survey conducted in 2011, the share of women aged 20-24, who had entered into marriage or union before the age of 15 and 18, constituted 1.9% that year.

In order to solve the problem of early marriages in the country, the Family Code was amended and the minimum age for marriage for girls was increased to 18 years, equaling the minimum age for boys. As a result, the number of early marriages in the country, which was 5138 in 2011, dropped to 388 in 2015.

The share of seats held by women in the country's parliament and local authorities. The share of seats held by women in the country's parliament, which amounted to 4.3% in 1990 and 10.7% in 2000, reached 16% in 2010 and 16.8% in 2015. One of the three deputy chairpersons of the National Parliament and the country's first national Ombudsman is a woman. 2014-cü il dekabr ayında keçirilmiş sonuncu

seçkilərdə 5236 nəfər qadın bələdiyyə üzvü seçilmişdir ki, bu da bütövlükdə bələdiyyə üzvlərinin təxminən 35 faizini (2004-cü ildə keçirilmiş ilk bələdiyyə seçkilərində 4 faiz) təşkil edir. 2016-cı ilin sonuna ölkə üzrə 87 yerli icra hakimiyyəti orqanında başçıların qadın müavinlərinin sayı 80 nəfər, ümumilikdə dövlət qulluğunda çalışanlar arasında qadınların xüsusi çəkisi isə 28.6% təşkil etmişdir. The share of women in the position of judge is also growing steadily. Thus, this figure has increased from 11.5% in 2010 to 12.2% in 2016.

One of the goals of the "State Program on poverty reduction and sustainable development in the Azerbaijan Republic for 2008-2015". The goal was mainly aimed at increasing the participation of women among the heads of central executive bodies, parliamentarians, members of municipalities and judges. As a result of the measures taken to support women's leadership, some progress has been made in the representation of women at the decision-making level in the country. Although women are represented in all spheres of society in the country, their number in management positions is not satisfactory. Even in the social spheres where women make up the majority, the number of women in management positions is low.

During the 2010-2016 years the share of women in management positions in classifications 4-7 of civil service increased 0.2 percentage point from 9.7% to 9.9%.

According to agricultural census data for 2015, the share of women in the total number of people engaged in agricultural work was 48.6%.

According to agricultural census data of 2015, the share of female farm managers in the total number of farm managers that owned and/or used lands as individual entrepreneur, family-peasant and household farms was 9.4%.

In 2015, the number of mobile phone user per 100 people has increased to 112 and internet user to 77. Bu isə ölkədə qadınların da müasir informasiya cəmiyyətinə fəal qoşulması üçün geniş imkanlar yarandığını göstərir.

To more effectively define the rights of women in the country, the Ombudsman has suggested appointing an adviser specializing in women's rights and gender equality, teaching "human rights" and "gender issues" at the Faculty of Law and other faculties of the Baku State University, and continuing personal training on human rights at the postgraduate level of the Faculty of Law.

Goals related to gender issues. Araşdırmalar göstərir ki, Azərbaycanda gender siyasəti sahəsində aktual məsələlərə aşağıdakıları aid etmək olar:

- The goal has been set to conduct gender analysis and ensure that women's level of representation in all state institutions of the country is at the same level as men;

- create a new mechanism based on the understanding of women's independence in all fields of society life;,,

- Work in underway to create Women's Resource Centers under the Heydar Aliyev Centers serving to improve skills and abilities of women.

- Accelerating works on develop and accept the "Strategy of the Azerbaijani Family", the National Action Plan on Gender Equality, the "Children's Code" and the "National Children's Strategy". Furthermore, one of the goals set is the establishment of the "Family Psychologist" Institute, help centers and shelters for people subjected to domestic violence, and a system for monitoring cases of violence, evasion of education and early marriage in the country.

- "*Development and promotion of women's entrepreneurship*" in the country is one of the main goals. The main problems in this direction are limited knowledge of women in the field of business, their lack of access to information is not enough, and their financial and infrastructural difficulties. To achieve this goal, it is needed to strengthen measures to support women entrepreneurs mainly in the regions in the field of business formation and management.

Qeyd olunanlarla yanaşı, aşağıdakı kimi konkret **problemlərin** aradan qaldırılması istiqamətində fəaliyyətlərin gücləndirilməsi də **təklif** olunur.

Ensure establishment of a statistical data bank on all forms of violence against women, including cases of discrimination, as well as domestic violence and regular data collection for reliable statistical evaluation (since it is necessary to divide the figures related to the development course at the global, regional, national and local levels according to gender, because such gender statistics demonstrate problems not clearly explained by the general statistics in many cases);

In the regions of Azerbaijan, women still do not have the same opportunities as men, due to violence, political and economic marginalization, discrimination in hiring and difficulties in harmonizing professional and personal life. There is a need to conduct awareness-raising work on gender equality between men and women;

It would be appropriate to create effective mechanisms for taking the necessary measures against legal entities and individuals, who have discriminated on the basis of gender, in the relevant area in the legislation;

Considering the fact that the rates of domestic violence against women in Azerbaijan are 8-9 times higher than human trafficking rates and lead to serious consequences and undermines families, it is extremely important to redouble attention to this problem and to create a center for state assistance to victims of domestic violence. Despite the fact that comprehensive and effective remedies for victims of domestic violence have been created in this regard, it is necessary to adopt a National Action Plan for the Prevention of Domestic Violence;

Conducting research and monitoring in relevant local institutions, communities, families, institutions, enterprises and organizations and preparing a final report on their basis in order to study the situation in the field of gender equality was useful

Establishing a "network of active women" consisting of women politicians, entrepreneurs and representatives of various non-governmental organizations and organizing it in a way to contribute to ensuring gender equality;

Digər bir problem 15-17 yaş həddində olan qız uşaqları tərəfindən uşaq dünyaya gətirilməsi hallarına səbəb olan erkən nikahlarla əlaqədardır. Gender bərabərliyinin əsas meyarlarından biri olan reproduktiv sağlamlıq baxımından bu məsələnin qarşısının alınması istiqamətində tədbirlərin gücləndirilməsi çox önəmlidir.

One of the most serious gender-related problems in Azerbaijan is associated with the occupation of 20% of Azerbaijan's territory as a result of the military aggression of Armenia and the resettlement of more than one million refugees and internally displaced persons in the country. Women (more than 400,000) and children (more than 300,000), who constitute the majority of these and have lost their homes, jobs and family members. Məhz bunlar da bu işğalın ən çox əzabını çəkən qurbanlar sırasına daxildirlər. Odur ki, işğal olunmuş ərazilərin azad olunması və qaçqın və məcburi köçkünlərin öz daimi yaşayış yerlərinə təhlükəsiz şəraitdə qayıtmasının və layiqli yaşayışının təmin olunması qaçqın və məcburi köçkün qadınların pozulmuş hüquqlarının bərpası üçün çox vacibdir.

GOAL 9. Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation

9

**SƏNAYE, İNNOVASIYA
VƏ İNFRASTRUKTUR**



9.1. Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all.

9.2. Promote inclusive and sustainable industrialization and, by 2030, significantly raise industry's share of employment and gross domestic product, in line with national circumstances.

9.3. Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets.

9.4. By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.

9.5. Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending.

9.a. Facilitate sustainable and resilient infrastructure development in developing countries through enhanced financial, technological and technical support to African countries, least developed countries, landlocked developing countries and small island developing States.

9.b. Support domestic technology development, research and innovation in developing countries, including by ensuring a conducive policy environment for, inter alia, industrial diversification and value addition to commodities.

9.c. Significantly increase access to information and communications technology and strive to provide universal and affordable access to the Internet in least developed countries by 2020.

National peculiarities.

The effectiveness of investments aimed at developing infrastructure, industrialization and innovation is a guarantee of economic growth, social development and environmental security. The main infrastructure units in accordance with this goal include roads, information and communication technologies, clean drinking water and electricity supply.

Important steps have been taken to improve the infrastructure in Azerbaijan. Main infrastructural fields, especially the road infrastructure has developed thanks to an increase in state budget expenditures directed to improving the infrastructure for a long time. Therefore, now Azerbaijan has an advanced transport system consisting of 19000 km roads, 2446 km railway lines, and 5355 km main pipelines. In 2016, the volume of freight and passenger transportation in general transport, respectively, increased by 1.1 and 1.4 times, compared with 2010. A greater increase is characteristic for road transport in freight transportation and air transport in passenger transportation. The application of information and communication technologies of the infrastructure has been developed, and ASAN Service centers providing services to citizens based on the "one-stop shop" principle, an ASAN Payment system, an ASAN Utility center, an ASAN Visa system and ASAN Train services have been launched.

The volume of services provided by these organizations has been shown as follows (as of April 26, 2017) in Table 6.21:

Table 6.21. Volume of services introduced by "ASAN" Service centers

Type of service	Period for which the data are presented	Quantity
ASAN Service centers	2013-2017	14,947,648 application
ASAN Payment portal	2015-2017	160,584 payments
ASAN Utility	2017	18,414 applications
ASAN Visa	2017	52,634 visas
ASAN Train	2017	15,481 applications

Along with the mining industry, the processing industry is also being developed in the country's industry. The share of added value created in the manufacturing in 2016

made up 5.2% of GDP, and the share of people employed in this industrial sector amounted to 5.1% of the total employed population. The added value created in the manufacturing increased by 1.3 times over the past 7 years, and its per capita volume amounted to 323.6 AZN.

However, analysis shows that the employment rate in the manufacturing has not increased that much. It is known that small enterprises play an indispensable role in the development of industry and providing employment in family farms. According to the statistics for 2010-2016, it can be said that the share of small enterprises in the net industrial product has not exceeded 2.2%. In 2016, the share of small enterprises in net industrial output was 2.1%.

Analysis shows that the share of added value created in mid- and high-tech fields of manufacturing in the total added value produced in this sector of industry is growing every year. This indicator for the country was 18.5% in 2016. It should be noted that this indicator was 9.1% in 2010, 10.5% in 2012 and 13.7% in 2014. Currently, the increased level of this indicator is associated with support for technological development.

SDG is aimed at sustainable development within the context of continuing development. The goal of environmental protection, which is one of the main parts for sustainable development, is an indicator of the importance of ensuring environmental cleanliness while developing technologies in the industry. The main evaluation indicator here is the achievement of a decreasing in CO₂ emissions. CO₂ emissions per unit of value added (in US dollars) in Azerbaijan are 0.3 kg. According to World Bank statistics for 2003-2014, CO₂ emissions in manufacturing and construction are increasing. The share of CO₂ emissions in manufacturing and construction in the total amount of fuel emissions in Azerbaijan increased from 6.2% in 2010 to 7.5% in 2014. The global average of this indicator is 19.9% in 2014 and is increasing compared to previous years. Therefore, work has begun on the transition to "green" technologies and the effective use of alternative energy sources. The State Agency on Alternative and Renewable Energy Sources is actively involved in the process of implementing the targets for this goal, which aims to reduce growing CO₂ emissions in Azerbaijan. By reducing CO₂ emissions, the country also reduces its volume per unit of value added.

Research and development (R&D) expenditures

Mütərəqqi dünya təcrübəsi göstərir ki, həm infrastrukturun, həm də sənayenin inkişafı innovasiyaların inkişafı ilə sıx əlaqədardır. İnnovasiyaların inkişafı işə, tədqiqat və işləmələrə çəkilən xərclərin təzahürüdür. Cədvəl 6.22-də əks olunan məlumatlar göstərir ki, ölkə üzrə dövlət büdcəsindən tədqiqat və işləmələrə ayrılan xərclər ÜDM-in 0.2%-ini təşkil edir və son 6 ildə bu göstərici dəyişməz qalmışdır.

Table 6.22. Research and development (R&D) expenditures

	2010	2011	2012	2013	2014	2015
Expenditure (in million AZN)	92.8	109.8	117.3	122.0	123.8	120.9
The share in GDP, in percentage	0.2	0.2	0.2	0.2	0.2	0.2

Source: SSC

The number of researchers. The table 6.23 shows the ratio of researchers engaged in scientific research work in the country per 1,000,000 population.

Table 6.23. The number of researchers per 1,000,000 population

Year	2010	2011	2012	2013	2014	2015	2016

The number of researchers per 1,000,000 population	1228.0	1305.0	1666.0	1687.0	1725.0	1683.0	1623.0
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Source: SSC

Əhalinin hər 1 000 000 nəfərinə 2015-ci ildə 1683 nəfər tədqiqatçı düşmüşdür ki, bu da 2010-ci illə (1228) müqayisədə 37% çoxdur. 2016-cı ildə isə müvafiq göstərici 1623 nəfər olmuşdur.

One of the main indicators of innovation-oriented development is the share of population covered by the mobile network. In 2015, 99.9% of the population was covered by the mobile network.

At present, the state's economic policy is continued to achieve the targets in the development of industrialization, innovations and infrastructure in the country. Currently, numerous programs are being developed to increase net product and employment in the processing industry. These include: "State Program on the development of industry in the Azerbaijan Republic for 2015-2020"; "State Program on socio-economic development of regions of the Azerbaijan Republic for 2014-2018"; "Strategic Roadmap for the development of heavy industry and mechanical engineering"; "Strategic Roadmap for the development of oil and gas industry (including chemical products) in the Azerbaijan Republic"; "Strategic Roadmap for the development of utilities (electricity and heating energy, water and gas) in the Azerbaijan Republic"; and, "Strategic Roadmap for the development of financial services in the Azerbaijan Republic", which aims to expand access to financial services, including affordable loans, for small industrial and other enterprises.

Also, to ensure that re-industrialization in the country meets modern challenges, the introduction and development of innovations by attracting residents to industrial parks, industrial districts and technology parks is encouraged through various concessions (tax, custom and etc.). Now Sumgait Chemical Industrial Park, Balakhani Industrial Park, Mingachevir Industrial Park, Garadagh Industrial Park, Pirallahi Industrial Park, Neftchala Industrial District, Masalli Industrial District are working in the country.

Support from international partners. Implemented of the EU technical assistance project, entitled "Support for the development of the industrial sector and the Industry department of the Ministry of Economy in Azerbaijan" and aimed at accelerating the development of industry. (was completed in 2016). Currently the EU technical assistance project entitled "Enhancing the competitiveness of the non-oil sector of the economy in Azerbaijan" is at the stage of tender. Also, provision of consulting services in the areas of activity of the High-Tech Park of Azerbaijan National Academy of Sciences (ANAS) is envisaged as part of the "Support for the development of special economic zones" project, in the framework of the "Grant program for supporting the development of the regions" implemented through the budget support mechanism of the European Union. ANAS has applied for assistance in the framework of the TAIEX instrument of the European Union. Currently, opportunities are being explored for extracting benefits EU Neighborhood Investment Facility (NIF) and Competitiveness of Enterprises and Small and Medium-sized Enterprises (COSME) programs for the institutional development of the High-Tech Park.

Problems and solutions. Bu DİM üzrə müəyyən edilmiş hədəflərə nail olmaq üçün ölkə üzrə emal sənayesi və innovasiyaların inkişafının sürətləndirilməsinə ehtiyac duyulur. Bu zaman nəzərə almaq vacibdir ki, sənayenin inkişafı ekoloji mühitin qorunması ilə təmin edilməlidir. 9-cu Məqsəd üzrə seçilmiş hədəflərə nail olunması

müxtəlif institusional vahidlərin birgə və qarşılıqlı fəaliyyətini nəzərdə tutur. Bu məqsədlə Azərbaycanda İqtisadiyyat Nazirliyi, Nəqliyyat, Rabitə və Yüksək Texnologiyalar Nazirliyi, Azərbaycan Respublikasının Prezidenti yanında Vətəndaşlara Xidmət və Sosial İnnovasiyalar üzrə Dövlət Agentliyinin tabeliyində “ASAN xidmət” mərkəzi, Azərbaycan Milli Elmlər Akademiyası, Alternativ və Bərpa Olunan Enerji Mənbələri üzrə Dövlət Agentliyi müvafiq hədəflərə nail olmaq üçün görülən işlərə cəlb edilmiş və hazırda bu istiqamətdə əməli fəaliyyətə başlanılmışdır. Ümumilikdə ölkədə innovasiya fəallığının yüksəldilməsinə də ehtiyac duyulur.

GOAL 14 Conserve and sustainably use the oceans, seas, and marine resources for sustainable development

	<p>14.1. By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution.</p> <p>14.2. By 2020, sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts, including by strengthening their resilience, and take action for their restoration in order to achieve healthy and productive oceans.</p> <p>14.3. Minimize and address the impacts of ocean acidification, including through enhanced scientific cooperation at all levels.</p> <p>14.4. By 2020, effectively regulate harvesting and end overfishing, illegal, unreported and unregulated fishing and destructive fishing practices and implement science-based management plans, in order to restore fish stocks in the shortest time feasible, at least to levels that can produce maximum sustainable yield as determined by their biological characteristics.</p> <p>14.5. By 2020, conserve at least 10 per cent of coastal and marine areas, consistent with national and international law and based on the best available scientific information.</p> <p>14.6. By 2020, prohibit certain forms of fisheries subsidies which contribute to overcapacity and overfishing, eliminate subsidies that contribute to illegal, unreported and unregulated fishing and refrain from introducing new such subsidies, recognizing that appropriate and effective special and differential treatment for developing and least developed countries should be an integral part of the World Trade Organization fisheries subsidies negotiation (in the light of the ongoing negotiations of the World Trade Organization, the Doha Development Agenda and the Hong Kong Ministerial Mandate).</p> <p>14.7. By 2030, increase the economic benefits to Small Island developing States and least developed countries from the sustainable use of marine resources, including through sustainable management of fisheries, aquaculture and tourism.</p> <p>14.a. Increase scientific knowledge, develop research capacity and transfer marine technology, taking into account the Intergovernmental Oceanographic Commission Criteria and Guidelines on the Transfer of Marine Technology, in order to improve ocean health and to enhance the contribution of marine biodiversity to the development of developing countries, in particular small island developing States and least developed countries.</p> <p>14.b. Provide access for small-scale artisanal fishers to marine resources and markets.</p> <p>14.c. Enhance the conservation and sustainable use of oceans and their resources by implementing international law as reflected in UNCLOS, which provides the legal framework for the conservation and sustainable use of oceans and their resources, as recalled in paragraph 158 of The Future We Want.</p>
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Importance for the country. At the current stage, the disruption of the ecological balance on a global scale as a result of accelerated industrialization over the years has been one of the issues faced by humanity that have a powerful impact on the socio-economic life of each country. All this directly affects the economic and social life of the country and is therefore an important factor that should be taken into account when developing appropriate policy measures.

Azərbaycan BMT-nin İqlim Dəyişmələri üzrə Çərçivə Konvensiyasının Paris Sazişinə qoşulmuş və karbon emissiyasının miqdarının baza ili ilə müqayisədə 2030-cu ilədək 35%, azaltmaq məqsədini qəbul etmişdir¹.

¹ <http://www4.unfccc.int/ndcregistry/PublishedDocuments/Azerbaijan%20First/INDC%20Azerbaijan.pdf>

Oceans, their temperature, chemical composition and current are of great importance for aquatic creatures and human life. The life of more than 3 billion people depends on the biological diversity of marine and coastal areas. But today we observe the excessive exploitation of three quarters of marine resources in the world. Oceans absorb almost 30% of the carbon dioxide produced by humans. But we are producing more carbon dioxide than in previous periods. Thus, since the beginning of the industrial revolution, the oceans have acidified by 26% more. At the same time, garbage that we discard is added to it; there are about 13,000 pieces of plastic debris per square kilometer of the ocean [28].

The SDG`s specify the targets of managing and protecting life under water in order to address the above-mentioned problem and threats at the global level.

Along with being blessed with abundant rivers and water basins, the Azerbaijan Republic also borders the Caspian Sea. Therefore, this goal, specified in the SDG, also is of special importance for Azerbaijan.

In accordance with the "Azerbaijan 2020: Outlook for the Future" Development Concept, which defines priority areas for Azerbaijan until 2020 in general, minimizing environmental pollution and improving environmental protection to ensure environmental safety, efficient use of natural resources to meet the needs of the current and future generations, utilization of alternative energy sources and achieving energy efficiency, identifying solutions to global environmental problems at the national level, and expansion of relations with international organizations have been adopted as the main directions of the state's environmental policy. One of the directions identified by the Concept as the main challenges of the modern day is environmental problems, in particular, the environmental situation in the Absheron peninsula and the Caspian Sea, as well as the acquisition and safety of freshwater resources. Environmental problems for Azerbaijan in the local and regional context are mainly associated with oil production carried out with imperfect methods for decades without taking into account the environmental consequences for the Absheron peninsula and the Caspian Sea. The fact that a large volume of freshwater resources of Azerbaijan originates from neighboring countries and is subjected to intensive pollution by chemical, radioactive and other harmful substances in the territories of these countries creates problems in providing drinking water to the population.

FAO is currently supporting the Ministry of Ecology and Natural Resources in developing the National Strategy for the development of fishing industry for 2015-2020. The main objectives of the national strategy are increasing the competitiveness, production and productivity in the fishing industry, as well as the sustainable growth and development of the aquaculture sector.

In 2016, the "National Strategy on conservation and sustainable use of biodiversity in the Azerbaijan Republic for 2017-2020" was approved. The above-mentioned National Strategy will give a boost to the implementation of reforms in this field and will have a positive impact on enhancing cooperation between international organizations and governments in program activities related to biodiversity and environmental protection in general.

At the 4th Summit of Heads of Caspian States held in Astrakhan, Russia, in 2014, the "Agreement on the protection and rational use of aquatic biological resources of the Caspian Sea" was signed. The agreement was ratified by all the Caspian littoral states and entered into force on May 26, 2016. The Agreement on the protection and rational use of aquatic biological resources of the Caspian Sea defines the principles of cooperation in the implementation of measures for joint management of fish resources, combating illegal fishing practices and increasing aquatic biological resources in the Caspian Sea.

Provide access for small-scale artisanal fishers to marine resources and markets. The existing legal and policy framework in Azerbaijan does not cover the rapidly growing aquaculture sector. Therefore, cooperation has been started with FAO from the beginning of 2011 to ensure that the future legal and policy framework in this sector meets international standards and best practices. The Law (dated June 27, 2014) of the Azerbaijan Republic on Fishing, developed and improved with technical support from FAO, has been adopted. This Law defines the legal basis for the organization and management of fishing industry, as well as enhancement, use and protection of fish resources in the Azerbaijan Republic. Sustainable development of aquaculture can lead to the creation of new jobs and alternative sources of income in rural areas of Azerbaijan and have a positive impact on the social situation and health of the country's population and addressing issues of food security.. At the same time, the Rules for the implementation of aquaculture has been developed and submitted for approval to the Cabinet of Ministers of the Azerbaijan Republic, with a view to implementing of paragraph 1.5 of Decree No.243, dated August 11, 2014, of the President of the Azerbaijan Republic on the implementation of the Law dated June 27, 2014 of the Azerbaijan Republic "On amendments to the Law of the Azerbaijan Republic on Fishing". These Rules clarify important issues such as the areas and types of aquaculture, the creation and use of aquaculture infrastructure, the conditions for the use of water bodies for aquaculture purposes, the conditions, model form and registration of biological and technological rationale necessary for engaging in aquaculture, record-keeping and reporting in the field of aquaculture, and state control of aquaculture.

According to the Rules for the conservation of fish resources and fishing activity in the Azerbaijan Republic approved by Decision No.152, dated September 24, 1999, of the Cabinet of Ministers of the Azerbaijan Republic, fishing is carried out for the following purposes: industrial, pastime and sports; scientific research, rearing and control; adaptation to the natural environment and transfer.

Qeyd olunan fəaliyyətlərin tənzimlənməsi ilə bağlı aşağıdakı kimi bir sıra hüquqi-normativ sənədlər qəbul olunmuşdur və hazırda bu proses davam etdirilir. Belə ki, mütərəqqi beynəlxalq təcrübələr öyrənilir və onlar əsasında yeni qanunlar, strategiya və proqramlar hazırlanır:

- Approved by Decision No.146, dated September 6, 1999, of the Cabinet of Ministers of the Azerbaijan Republic, "Permitted norms of harmful impact upon water bodies used for fishing" is aimed at preventing pollution of surface water streams and reservoirs specified according to the Water Code of the Azerbaijan Republic and the Law of the Azerbaijan Republic on Fishing and belonging to water bodies used for fishing, as well as the Azerbaijani sector of the Caspian Sea with waste and wastewater.

- Approved by Decision No.82, dated May 8, 2000, of the Cabinet of Ministers of the Azerbaijan Republic, the Rules for the use of water bodies for the needs of fisheries and hunting farms have been developed according to the Water Code of the Azerbaijan Republic and Decree No.685, dated March 13, 1998, of the President of the Azerbaijan Republic "On the implementation of the Water Code of the Azerbaijan Republic approved by the Law dated December 26, 1997 of the Azerbaijan Republic", and establish the rules for the use of water bodies for the needs of fisheries, including aquaculture and hunting farms. The water bodies used for fishing and water basins settled by water birds and valuable fur-bearing animals defined by the legislation of the Azerbaijan Republic can be used for the needs of fisheries and hunting farms.

- Approved by Decision No.206, dated November 9, 2005, of the Cabinet of Ministers of the Azerbaijan Republic, the Rules for the regulation of the use and turnover of resources of fishes of sturgeon breeds determines the improvement of the state management of the preservation, use and turnover of resources of fishes of sturgeon breeds, and establishes the legal basis for conducting scientific research activities in this field.

According to MOENR, since the mid-twentieth century, the unique ichthyofauna of the Caspian Sea and the Kura River has undergone significant changes as a result of the combined impact of anthropogenic and natural factors (global climate change, sea-level fluctuation, river flow regulation at a more than environmentally permissible level, chemical and biological pollution, illegal fishing, etc.). A reduction (a sharp reduction for some species) is observed in the resources and fishing of a number of fishes of commercial significance - sturgeon-like fishes (Acipenseridae), salmon-like fishes (Salmonidae), sprats (*Clupeonella*), carp-like fishes (Cyprinidae). The industrial fishing of carp breeds in the Azerbaijan Republic takes place in both the Caspian Sea and the Kura River. The highest catch quantity of carp-like fishes in our country were recorded in 1930s (an average of 28.5 thousand tons in 1931-1935). In subsequent years, their catch quantities (both in the Caspian Sea and the waters of the sea belonging to Azerbaijan) declined several times. In recent years (2010-2016), the catch quantity of carp-like fishes in the Kura river ranged from 60 to 85.9 tons, and from 102.3 to 155.5 tons in the Azerbaijani waters of the Caspian Sea. At present, there is a noticeable upward trend in the hunt for carp-like fishes in the Azerbaijani sector of the Caspian Sea. More than 20 species are noted in industrial fishing in the Kura river and the Azerbaijani sector of the Caspian Sea. In 2010-2016, during commercial hunting, **8** species of fishes of carp breeds were hunted in the Kura river and 9 species in the Azerbaijani waters of the Caspian sea (2 species of crucian, *Carassius carassius* and *Carassius gibelio*, are recorded as one species in statistics). The majority of the carp-like fishes hunted in the Kura river were bream (*Abramis brama*), whose share in the total quantity of carp-breed fishes hunted in different years ranged from 39 to 71%. In industrial fishing in the sea, whitefish (*Rutilus frisii kutum*) prevailed (40-84%). Roach (*Rutilus caspicus*) ranks second in the commercial hunting for fishes of carp breeds. The catch quantity of this fish ranged from 14 to 23% in the Kura river, and from 12 to 32% in the Caspian Sea. In recent years, there has been an increase in the quantity of crucians, which are invasive (imported) species for the ichthyofauna of the country, in hunting. These fishes constitute around 14.8% of the carp-like fishes hunted in the Kura river in different years. The share of carps (*Cyprinus carpio*) and royal fishes (*Alburnus chalcoides*) among the fishes hunted in the Kura river varies between 1% and 12%. The catch quantity of carp in the commercial fishing in the Azerbaijani sector of the Caspian Sea ranges from 1 to 17%. Bream and vimba bream (*Vimba vimba*) occupy the next places in terms of importance for fishing in the sea. The catch quantity of chub (*Aspius aspius*) and silver carp (*Hypophthalmichthys*) in industrial fishing is not that much.

In the last decade, anthropogenic and natural factors have led to degradation of the ecosystem of the Caspian Sea. The decline in the overall fishing in the Caspian Sea is directly related to the decline in sprat fishing. Sprats have accounted for 80 to 85% of the fishes hunted in the Caspian Sea. As a result of the spread of the invasive species of *Mnemiopsis leidyi* comb jelly to the Caspian Sea from the Black sea through ballast water of ships at the end of the twentieth century, stocks and hunting of sprat fishes have sharply fallen.

Until 2001, sprats were in the center of the fishing industry in the Caspian Sea, as the Caspian states steadily hunted 200-250 thousand tons of sprats every year. For

several decades, sprat hunting was based on the use of anchovy sprat and big-eyed sprat stocks, with these two species accounting for 99% of all sprat hunting. The share of the catch quantity of common sprat in total amount of sprat hunted was about 1%. Sprat hunting in Azerbaijan has decreased from 18,520 tons in 2000 to 316 tons in 2016. Currently, common sprat forms the core of sprat hunting (80-85%), followed by anchovy sprat (10-15%) and big-eyed sprat (1-2%).

Herring (Clupeidae) is hunted in the south-western part of the Caspian Sea. During 2010-2015, herring catch has decreased from 798.4 to 256.5 tons, and in 2016 herring (clupeidea) hunting has increased up to 401.7 tons. Mullet (Mugilidae) hunting on the Azerbaijani coast of the Caspian Sea has increased from 62.2 tons to 157 tons during 2010-2016. The total catch of mullet can be increased by intensifying commercial fishing and using special hunting tools.

Over the past 30 years, the total catch of sturgeons in the Caspian Sea has seen a 30-fold decrease (from 27,000 tons in 1980 to 600 tons in 2010). In 2000-2010, the total catch quantity of sturgeon-like fishes in Azerbaijan decreased from 70 tons to 2 tons. Technical moratorium was declared on the commercial fishing of sturgeons in the Caspian Sea in 2011, and hunting for sturgeon-like fishes is only allowed for scientific and research purposes.

7. PARTICIPATION IN INTERNATIONAL PARTNERSHIP FOR SDGs

17 MƏQSƏDLƏR ÜÇÜN
TƏRƏFDAŞLIQ



GOAL 17. Revitalize the global partnership for sustainable development

Finance

17.1. Strengthen domestic resource mobilization, including through international support to developing countries, to improve domestic capacity for tax and other revenue collection.

17.2. Developed countries to implement fully their official development assistance commitments, including the commitment by many developed countries

to achieve the target of 0.7 per cent of ODA/GNI to developing countries and 0.15 to 0.20 per cent of ODA/GNI to least developed countries ODA providers are encouraged to consider setting a target to provide at least 0.20 per cent of ODA/GNI to least developed countries.

17.3. Mobilize additional financial resources for developing countries from multiple sources.

17.4. Assist developing countries in attaining long-term debt sustainability through coordinated policies aimed at fostering debt financing, debt relief and debt restructuring, as appropriate, and address the external debt of highly indebted poor countries to reduce debt distress

17.5. Adopt and implement investment promotion regimes for least developed countries.

Technology

17.6. Enhance North-South, South-South and triangular regional and international cooperation on and access to science, technology and innovation and enhance knowledge sharing on mutually agreed terms, including through improved coordination among existing mechanisms, in particular at the United Nations level, and through a global technology facilitation mechanism

17.7. Promote the development, transfer, dissemination and diffusion of environmentally sound technologies to developing countries on favourable terms, including on concessional and preferential terms, as mutually agreed.

17.8. Fully operationalize the technology bank and science, technology and innovation capacity-building mechanism for least developed countries by 2017 and enhance the use of enabling technology, in particular information and communications technology.

Capacity building

17.9. Enhance international support for implementing effective and targeted capacity-building in developing countries to support national plans to implement all the sustainable development goals, including through North-South, South-South and triangular cooperation.

Trade

17.10. Promote a universal, rules-based, open, non-discriminatory and equitable multilateral trading system under the World Trade Organization, including through the conclusion of negotiations under its Doha Development Agenda.

17.11. Significantly increase the exports of developing countries, in particular with a view to doubling the least developed countries' share of global exports by 2020

17.12. Realize timely implementation of duty-free and quota-free market access on a lasting basis for all least developed countries, consistent with World Trade Organization decisions, including by ensuring that preferential rules of origin applicable to imports from least developed countries are transparent and simple, and contribute to facilitating market access

Systemic issues

Policy and institutional coherence

17.13. Enhance global macroeconomic stability, including through policy coordination and policy coherence.

17.14. Enhance policy coherence for sustainable development

17.15. Respect each country's policy space and leadership to establish and implement policies for poverty eradication and sustainable development.

Multi-stakeholder partnerships

17.16. Enhance the global partnership for sustainable development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals in all countries, in particular developing countries

17.17. Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships

Data, monitoring and accountability

17.18. By 2020, enhance capacity-building support to developing countries, including for least developed countries and small island developing States, to increase significantly the availability of high-quality, timely and reliable data disaggregated by income, gender, age, race, ethnicity, migratory status, disability, geographic location and other characteristics relevant in national contexts.

17.19. By 2030, build on existing initiatives to develop measurements of progress on sustainable development that complement gross domestic product, and support statistical capacity-building in developing countries.

Throughout 25 years of independent statehood, Government of Azerbaijan took significant steps in the field of international cooperation, a key element in achievement

of SDGs for every country and the world; it also pursued a peaceful policy, joined international agreements championing global social and humanitarian values and took a number of important measures.

Upon restoration of state independence in 1991, the Republic of Azerbaijan joined UN Convention on the Rights of the Child, International Covenant on Civil and Political Rights, and International Covenant on Economic, Social and Cultural Rights in 1992, International Convention on the Elimination of All Forms of Racial Discrimination in 1996 and Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families in 1998. These conventions are of significant importance for the SDGs.

Besides, the Republic of Azerbaijan has joined 22 major multilateral international environmental treaties and conventions and 57 ILO conventions.

Also the Republic of Azerbaijan also joined European Social Charter, which was revised in 1996 and entered into force in 1999, in 40 year anniversary ceremony held on October 18, 2001. In September 2004, the decree on Azerbaijan's ratification of Revised European Social Charter was presented to the Council of Europe. This international document entered into force in the Republic of Azerbaijan on November 1, 2004. According to the Law No. 575-IIQ of 6 January 2004 of the Republic of Azerbaijan on Ratification of the European Social Charter, the Republic of Azerbaijan declared its commitment to 18 of 31 articles of Revised European Social Charter of 3 May 1996. The Republic of Azerbaijan ratified mandatory articles such as Article 1 (The right to work), Article 5 (The right to organize), Article 6 (The right to bargain collectively), Article 7 (The right of children and young persons to protection), Article 16 (The right of the family to social, legal and economic protection), Article 20 (The right to equal opportunities and equal treatment in matters of employment and occupation without discrimination on the grounds of sex).

In frames of international cooperation, business relations were built between the Ministry of Internal Affairs of the Republic of Azerbaijan, UN, Council of Europe, OSCE, European Union, GUAM, NATO, Black Sea Economic Cooperation, Organisation of Islamic Cooperation, Organization of Economic Cooperation and Development and specialized agencies of UN and Council of Europe. Besides, about 100 bilateral and multilateral treaties, memoranda and protocols were concluded with relevant state structures of nearly 40 states.

Prosecutor's offices of the Republic of Azerbaijan cooperates with UN, OECD, CoE, EU, International Association of Anti-Corruption Authorities (IAACA), European Anti-Fraud Office (OLAF), European Partners Against Corruption (EPAC), European contact-point network against corruption (EACN), UN Office on Drugs and Crime (UNODC), Council of Europe's Group of States against Corruption (GRECO) and other international organizations in the prevention of corruption and serious multinational crimes, extradition and mutual legal aid and combatting fraud.

Furthermore, Azerbaijan International Development Agency (AIDA) was founded under the auspices of the Ministry of Foreign Affairs of Azerbaijan on September 14, 2011, with a view to provide a quick response to the requests for aid coming from foreign states and international organizations and centralized rendering and coordination of international aid. AIDA is responsible for channelling the aid provided by Azerbaijan in a goal-oriented manner and for providing this aid within a common framework with relevant state agencies.

All of the above-mentioned allowed the Government of Azerbaijan to further develop cooperation in frames of global partnership for SDGs and to strengthen implementation tools thereof. The current situation with respect to individual targets in this field, achieved progress and challenges experienced are described below.

Finance. In 2010-2016, owing to the development of the capacity in Azerbaijan to collect taxes and other revenues, the share of state budget revenues in GDP rose

from 26.9% to 29.0% and the share of taxes in the state budget revenues rose from 46.2% to 51.6% (Table 7.1).

Table 7.1. Dynamics of state revenues

	2010	2011	2012	2013	2014	2015	2016
Share of state budget revenues in GDP (%)	26.9	30.1	31.6	33.5	31.2	32.2	29.0
Share of taxes in the state budget revenues	46.2	40.7	40.4	39.3	45.5	50.2	51.6

Source: SSC

Support of international partners including EU's twinning projects "Support to the Ministry of Taxes of Republic of Azerbaijan in the field of Computer Assisted Audit System" implemented in 2011-2013 and "Support to the Ministry of Taxes of Republic of Azerbaijan in building capacity for a sustainable development of its Human Resources" implemented in 2014-2016, played a significant role in building a capacity in this area. With a view to continue this kind of cooperation, a contract on EU twinning project "Support to the Ministry of Taxes of Republic of Azerbaijan in optimal use of resources and quality service to taxpayers" has been signed.

As is seen from Table 7.1, besides the tendency of increase in relevant indicators, there are also strong fluctuations, which means that the results can be further improved through further strengthening of the capacity in collection of taxes and other revenues of the country.

Of the credit lines amounting to 396.1 million USD attracted to the field of agriculture from foreign sources under state guarantee on completed projects in 1997-2016, 146 million USD was financed by the Government of Azerbaijan; and the credit lines amounting to 155.5 million USD attracted to the field of agriculture from foreign sources under state guarantee on ongoing projects, 40.1 million USD was financed by the Government of Azerbaijan [MOF].

Technology. The Government of Azerbaijan attaches great importance to the development of scientific and technical capacity of the country and takes an active part in international cooperation on this field.

Intergovernmental agreements and scientific and/or technical cooperation programs In 2015-2016, "Agreement between the Republic of Azerbaijan and Argentine Republic on Technical Cooperation" and "Agreement between the Government of the Republic of Azerbaijan and the Government of People's Republic of China on technical and economic cooperation" were signed and ratified, and "Agreement between the Government of the Republic of Azerbaijan and the Government of the Republic of Colombia on Technical and Scientific Cooperation" was prepared and is pending final approval. Discussions are underway on development of a new draft of the "Agreement between the Government of the Republic of Azerbaijan and the Government of the Islamic Republic of Pakistan on scientific and technical cooperation" (1996). Furthermore, in 2016, Azerbaijan National Academy of Sciences signed 49 contracts with more than 16 foreign scientific institutions and companies.

In 2010-2015, the share of internet-using population rose from 46% to 77% and the number of broadband internet users per 100 population rose from 15 to 72 (Table 7.2).

Table 7.2. Status of internet usage

	2010	2011	2012	2013	2014	2015	2016
Share of internet-using population (in %)	46	65	70	73	75	77	78
Number of broadband	15	30	50	55	65	72	-

Capacity development. Azerbaijan is also actively involved in the process of aiding capacity development in least developed countries. The work of AIDA, a national donor institution, in this regard is also notable. That is, AIDA is responsible for channelling the aid provided by Azerbaijan in a goal-oriented manner and for providing this aid within a common framework with relevant state agencies.

Some 40 countries, particularly African, Asian and Latin American states have already benefited from the aid provided by the Government of Azerbaijan. AIDA supports implementation of programs and projects on development of science and culture, strengthening of health sector, introduction of e-governance, reduction of poverty and other social-economic directions in frames of bilateral and multilateral cooperation.

Considering the importance of South-South and Triangular Cooperation framework, AIDA signed a memorandum of understanding on South-South Cooperation and Mutual Connection in December, 2016 with Islamic Development Bank.

Besides, on July 12, 2016, a memorandum of understanding was signed between State Agency for Public Service and Social Innovations under the President of the Republic of Azerbaijan and Ministry of Finance of Afghanistan on formation of progressive mechanisms of rendering of public services. In line with the said document, based on Azerbaijan's ASAN xidmət (service) model, an agency with the same name (Asan Khedmat) was created in Afghanistan to render public services. (www.asan.gov.af)

Furthermore, State Agency for Public Service and Social Innovations under the President of the Republic of Azerbaijan also cooperates with developed countries as described below:

- On December 9, 2015, a memorandum of understanding was signed between State Agency for Public Service and Social Innovations under the President of the Republic of Azerbaijan and Department of Public Governance under the Prime Minister's Office of the Italian Republic.

- On August 19, 2016, a memorandum of understanding was signed between State Agency for Public Service and Social Innovations under the President of the Republic of Azerbaijan and the Ministry of Internal Affairs of the Republic of Korea on cooperation in the field of e-government and rendering of public services.

- On March 14, 2017, a memorandum of understanding was signed between State Agency for Public Service and Social Innovations under the President of the Republic of Azerbaijan and State Secretariat on State Reform and Simplification under the Prime Minister of the French Republic.

The endorsement of proposal on creation of Baku-based Labour Centre of the Organization of Islamic Cooperation (OIC) that was put forward in second conference of labour ministers of OIC member states held on 25-26 April 2013 in Baku and approval of the Charter of the OIC Labour Centre at 43rd session of OIC Foreign Affairs Ministers held on 18-19 October 2016 in Tashkent, Uzbekistan, constitute another initiative of the Government of Azerbaijan that will contribute to the achievement of SDG.

Systemic issues. Policy and institutional coherence. Currently, work is underway in Azerbaijan on coordination of policies aimed at consolidation of macroeconomic stability in Azerbaijan and tailoring of those policies to fit SDGs. In this view, the composition of macroeconomic indicators system and data collection and analysis capacity on these indicators are also being considered and measures are planned to be taken to develop this capacity. At present, limited financial and human resources of SSC insufficient for organization of statistic data production process on SDGs, lack of full integration of administrative databases into SSC's databases causes

some challenges. There is a need for assessment of potential needs on personnel training in the field of statistics, production of SDG figures, recommendations of international organizations and exploration of best practices on the arrangement of work in this area. Specifically, acquisition of necessary knowledge and methodologies on availability of high-quality, timely and reliable data disaggregated by income, gender, age, race, ethnicity, migratory status, disability, geographic location and other characteristics relevant in national contexts, enhancement of knowledge of relevant persons on sustainable development statistics, extensive use of administrative data for SDG information supply and setup of monitoring of SDG achievement represent outstanding priority tasks. Support of UN and other international organizations is needed for settlement of the said issues.

Identification of mechanisms to improve consistent policy in the field of sustainable development. National Coordination Council on Sustainable Development of the Republic of Azerbaijan led by Deputy Prime Minister of the Republic of Azerbaijan was established under 6 October 2016 Decree No. 1066 of the President of the Republic of Azerbaijan with a view to identify national priorities and their relevant indicators in line with global goals and targets by 2030, ensure alignment of state programs and strategies on socio-economic areas with Sustainable Development Goals, as well as coordinate fulfilment of tasks assigned to state agencies with respect to obligations arising from “Transforming our World: The 2030 Agenda for Sustainable Development”. This Council was established as an institutional mechanism serving to make the sustainable development policy of the Government of Azerbaijan more goal-oriented, systemic and coherent and its activity is aimed at continuing and strengthening the works in this direction.

Multi-stakeholder partnerships. Among measures related to support of economic initiatives and international cooperation, it is possible to refer to 11 projects implemented in 2011-2015 together with international and regional organizations in the fields of agriculture and economy.

Most of international aid measures taken by the Republic of Azerbaijan in recent years were realized in frames of multilateral platforms. This approach allows to coordinate joint efforts with other donors and tailor the aid to be rendered to the priorities of the recipient countries. Besides, rendering of aid within a multilateral framework allows to exchange experience, build partnership relations and ensure effective delivery of aid.

The Republic of Azerbaijan has regularly provided donations for supporting humanitarian and technical projects carried out at various parts of the world through UN agencies and other international organizations, as well as their operations.

In its work, AIDA prefers supporting or participating at international aid projects in an environment of multilateral cooperation with various stakeholders.

Public-private and CSO partnership. Priority directions were determined for rendering of social services to children with limited health capacity and social orders were announced to have these services provided by specialized NGOs. In 2016, 25 NGOs implemented social orders on 37 projects covering 2046 persons with needs. In total, 1.7 million AZN was spent for social orders.

As a result of establishment of broad opportunities for civil society institutes and introduction of mechanisms of financial support from state for them, grants worth over 110 million AZN were awarded in 2016 to NGOs based on grant agreements registered with the Ministry of Justice. This figure exceeds that of the preceding year by 2.5 times. The amount of funds awarded to NGOs in 2011-2016 years based on agreements of grant, donation and services rose by 4 times and was over 128 million manats from 2011 to 2016.

Existence of sustainable development indicators on relevant features processed through full classification at national level in line with key principles of

official statistics. The State Statistical Committee is the agency in charge of processing of statistical data on sustainable development indicators in Azerbaijan. The State Statistical Committee ensures regular mutual data exchange with Interstate Statistical Committee, international and regional organizations, as well as national statistical services of foreign countries, provides replies to received inquiries and cooperates in other forms. Annual methodological materials developed by the SSC cover areas such as national accounts and macroeconomic indicators, population, employment, energy, trade, price, innovation, environmental statistics, as well as dynamic lines of GDP updated in consideration of recommendations affecting GDP size, structure and growth rate of National System of Accounts -2008 (NSA-2008), formation of satellite account on energy in frames of NSA-2008, improvement of scientific technological and innovation statistics and measurement of the impact of innovations on the economy, development of methodological explanations on statistical study of “human capital”, system of statistical indicators, “Calculation of labour costs index”, “Methodological guidelines on formation of current accounts of public sector”, “System of statistical indicators for Green Economy”, “Calculation of the size of pollutants and greenhouse gases released into atmosphere as a result of the use of fuel in households”, “Introduction of GSBPM in the process of management of statistical processes on expenditures and payments regarding environmental protection”, “National recommendations on energy statistics”, “Business activeness of small-sized entrepreneurial subjects” and “Business activeness of small-sized entrepreneurial subjects engaged in trade activity”.

Although 30% of SDG indicators are covered in national statistics system of Azerbaijan, it hadn't been required until now to process high-quality, timely and reliable data disaggregated by income, gender, age, race, ethnicity, migratory status, disability, geographic location and other characteristics relevant in national contexts. The SSC's current affairs program planned organization of observation only on a part of sub-groups on those indicators. Successful collection of missing data on a part of the required indicators is directly dependent on the development of the capacity of SSC as acquisition of such detailed data is only possible through incorporation into the SSC's statistical databases of the data collected by different state agencies through censuses, micro-censuses, selective statistical examinations of households which require huge funding, ICT and human resources, as well as through implementation of their administrative functions.

That is why, “Strategic Roadmap on national economic perspective of the Republic of Azerbaijan” approved under 6 December 2016 Decree of the President of the Republic of Azerbaijan contains clause 4.2.2 which envisages an activity titled “Improvement of statistical infrastructure”.

In order to continue measures of capacity building in coming years, “2018-2025 State Program on development of official statistics in the Republic of Azerbaijan” envisages relevant measures, including conduct of different surveys in households and collection of data disaggregated on SDG achievement indicators.

The next population census in the Republic of Azerbaijan is scheduled to take place on 1 to 10 October 2019 in accordance with the 7 September 2016 Decree No. 1040 of the President of the Republic of Azerbaijan on “Conduct of a population census in the Republic of Azerbaijan in 2019”. With a view to collect data on SDG indicators, some questions are planned to be added to the population census sheet.

Availability of national statistical legislation complying with key principles of official statistics. Present Law of the Republic of Azerbaijan on Official Statistics (Law No. 789, dated 18 February 1994) reflects the key principles of official statistics. Upon submission of a final report on conclusions of the Global Review (external audit) of national statistical system of Azerbaijan by United Nations Economic Commission for

Europe, Eurostat and European Free Trade Association conducted from September 2016 to February 2017, proposals on amendments and additions to the Law of the Republic of Azerbaijan on Official Statistics will be developed in consideration of the recommendations made.

Availability of a national statistic plan that is fully financed and implemented.

Besides the fifth “State Program on Development of Official Statistics in the Republic of Azerbaijan 2013-2017”, approved by Decree No. 2621 of 21 December 2012 of the President of the Republic of Azerbaijan, a budget-funded statistical affairs program is adopted every year.

The value of all resources allotted for capacity building in the field of statistics in the country in USD. The value of all resources allotted for capacity building in the field of statistics in the country in USD from 2010 to 2015 is presented in Table 7.3.

Table 7.3 The value of all resources allotted for capacity building in the field of statistics in the country in USD

Year	2010	2011	2012	2013	2014	2015	2016
The value of all resources allotted for capacity building in the field of statistics in USD	5410805	6787941	6167211	2580319	2801702	2385026	1254798

Source: State Statistical Committee

Conduct of population and housing censuses at least once in last 10 years.

In accordance with the 7 July 2006 Decree No. 415 of the President of the Republic of Azerbaijan on “Conduct of population census in the Republic of Azerbaijan in 2009” and 12 December 2006 resolution No. 200 of the Cabinet of Ministers of the Republic of Azerbaijan on “Action plan ensuring preparatory works and conduct of 2009 population census”, a population and housing census was held on 13 to 22 April 2009.

The next population and housing census in the Republic of Azerbaijan is scheduled to take place on 1 to 10 October 2019 in accordance with the 7 September 2016 Decree No. 1040 of the President of the Republic of Azerbaijan.

Achievement of birth and death registration levels of 100% and 80% respectively. Table 7.4 presents the situation in this field.

Table 7.4. Birth and death registration levels, in %

Year	2010	2011	2012	2013	2014	2015	2016
Birth registration	100	100	100	100	100	100	100
Death registration	99.9	99.9	99.9	99.9	99.9	99.9	99.9

Source: State Statistical Committee

As is seen from Table 7.4, registration of births and deaths in Azerbaijan is achieved 100%, and 99.9% respectively, thus exceeding targets set on SDGs.

Key directions and expectations of the development of international cooperation for SDGs:

- with a view to achieve the SDGs at the expected level, it is considered appropriate to organize development and implementation of national action plans on SDGs through financial and technical support, as well as support in the fields of personnel training, counsel and other areas to national governmental agencies through UN.

- it is of crucial importance to further strengthen efforts of UN, NATO and other international and regional organizations towards suspension of bilateral and regional military conflicts that impede SDGs, contradict with humanity and human values, violates social and other rights of people and challenge Azerbaijan as well.

8. NEXT STEPS

The following activities are planned to be carried out in Azerbaijan in near future with a view to ensure implementation of tasks set by “Transforming our World: The 2030 Agenda for Sustainable Development” at national level.

- Finalize nationalization of global SDGs and targets and indicators set in line with them and incorporation thereof into the national development agenda;
- For supporting implementation of national sustainable development agenda, a national SDG conference will be organized in 2018 in order to identify and implement important accelerating factors with a view to achieve SDGs in Azerbaijan. The conference will be aimed at setting new directions of development and transformation in different sectors of the economy and engaging the whole population of Azerbaijan in SDGs.
- Successful implementation of SDG agenda requires exploration and sharing of best practices, particularly through South-South cooperation. Azerbaijan will share achieved experience and knowledge in the formation and implementation of national SDGs.
- Finalize the formation of the system of SDG monitoring and evaluation at central and local levels with a view to follow the progress;
- Strengthen coordination and cooperation between state agencies, local and international partners;
- Seek support for preparation and implementation of goal-oriented projects serving to speed up the progress on SDG targets that are considered to be national priorities;
- Approve the timeframe and rules for drafting of annual report;
- Organize independent third party evaluations to evaluate the progress and give recommendations for alignment of accountability with institutional regulation;
- Seek ways to strengthen detailed data production and analysis capacity on statistics, particularly based on gender, age groups, residence (city/village), sectors and regions/administrative rayons;
- Promote dialogue for a more comprehensive implementation and accountability mechanisms;
- Strengthen involvement in international partnership to achieve SDGs.

9. CONCLUSIONS

Azerbaijan is closely involved in UN's global development initiatives. This involvement is of great importance for familiarization with best practical and innovative ideas and exchange thereof, and it has been one of the most important factors that have facilitated successful implementation of Millennium Development Goals in Azerbaijan within past 15 years.

2030 Agenda for Sustainable Development exposes problems experienced by people worldwide and calls for solution thereof together. That is why SDGs receive particular attention in Azerbaijan as well. Azerbaijan takes important steps towards achievement of peace and decent life in spite of a number of problems that have been decided to be solved together, such as conflicts, governance, poverty, environmental degradation and crime.

At present, the following problems adversely affect achievement of SDGs in Azerbaijan:

- Long-lasting peace, security, stability and social cohesion are the major pre-requisites for sustainable development. However, the military aggression of Armenia against Azerbaijan does not allow achieving any major progress in the region. Despite the resolutions of the United Nations Security Council 822 (1993), 853 (1993), 874 (1993) and 884 (1993), condemning the use of force against Azerbaijan and occupation of its territories, reaffirming the sovereignty and territorial integrity of Azerbaijan and calling for immediate and unconditional withdrawal of the occupying forces from all occupied territories of Azerbaijan, and in flagrant violation of international law and relevant decisions of other international organizations and the fact that Azerbaijan has been abiding by the ceasefire regime for 23 years adhering to these resolutions and decisions, believed in a peaceful settlement of this conflict, Armenia continues its purposeful efforts towards consolidating the current status-quo of the occupation, strengthening its military build-up in the seized territories and preventing the hundreds of thousands of forcibly displaced Azerbaijanis from returning to their homes and properties in those areas. The resolution of the conflict would not only bring stability and progress to both Armenia and Azerbaijan; it would also ensure peace and justice in the entire region. Azerbaijan believes that international partners will show resolute positions to resolve this problem so that the principle of "leaving no one behind" adopted within the framework of SDGs finds its approval in real life.

- It is necessary to strengthen efforts to speed up development of non-oil sector and diversification of national economy, enhance export capacity and expand export, increase the effectiveness of healthcare and social services and strengthen environmental security.

The Government of Azerbaijan believes that its work in these directions will be supported by international partners as well.

Considering that implementation of SDGs requires a comprehensive approach from institutional and political point of view, it is of significant importance to form an efficient national implementation mechanism to develop sustainable, extensive and diversified economy, ensure balanced development of social spheres and more reliable protection of environmental balance. In view of the above-mentioned, National Coordination Council on Sustainable Development of the Republic of Azerbaijan was established (6 October 2016) with a view to coordinate fulfilment of tasks assigned to state agencies with respect to obligations arising from "Transforming our World: The 2030 Agenda for Sustainable Development".

The most important task before the Council is to identify national priorities and their relevant indicators in line with global goals and targets, ensure alignment of state programs and strategies on socio-economic areas with Sustainable Development

Goals, as well as to draft and submit preliminary report of Azerbaijan on SDG achievement for High Level Political Forum.

Within the past period, the Secretariat of the National Coordination Council and 4 working groups (economic development and decent employment, social, environmental issues, monitoring and evaluation) have been created and other preparatory works have been conducted. Of these works, the following can be noted: nationalization of global SDGs and targets and indicators set in line with them and incorporation thereof to the national development agenda have commenced and preliminary projects have been developed; to follow the progress, formation of SDG monitoring and evaluation system has started; local and international partnership opportunities are being evaluated and some joint projects have already started.

Since acceleration of sustainable development requires additional funds, it is of crucial importance to use available financial resources efficiently, as well as to look for new financial sources and create forms of joint partnership.

Considering the principle of “leaving no one behind”, Azerbaijan intends to remain committed to its important task of implementation of global sustainable development goals with a view to share its expertise and knowledge on sustainable development through bilateral and multilateral partnership and aid programs in the world and region.

The following challenges emerged during implementation process:

- the process of alignment of state programs and strategies with global goals, targets and indicators requires a lot of time and additional financial resources;

- Coordination among state agencies, local and international partners needs to be strengthened;

- It is necessary to strengthen detailed data production and analysis capacity on statistics, particularly based on gender, age groups, residence (city/village), sectors and regions/administrative rayons;

- Failure to collect data on some indicators or lack of relevant methodologies;

- The conflict that erupted as a result of Armenian military aggression covering Nagorno Karabakh and surrounding regions remains as a key problem in the country. In spite of the ceasefire, no political solution or peace agreement has been achieved. Over one million population displaced from their permanent residences in Nagorno Karabakh and surrounding regions of Azerbaijan and in Armenia are still deprived of their right to return to their places in a decent manner. Settlement of this problem with a view to confirm the principle of “leaving no one behind” assumes great importance for Azerbaijan.

- It is necessary to strengthen efforts to speed up development of non-oil sector and diversification of national economy, enhance export capacity and expand export, increase the effectiveness of healthcare and social services and strengthen environmental security.

The Government of Azerbaijan believes that SDGs constitute a favourable platform for joint operation of state agencies, civil society institutions, businesses, scientific and educational institutions, mass media and international organizations aiding development. The initiatives, guiding and supportive activities of UN agencies in this direction are noted with an emphasize.

In general, the Government of Azerbaijan hopes that its activities in the above-mentioned directions will be supported by the international partners, the cooperation with them will be continuous and such a cooperation will play an important role in achievement of SDGs.

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