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STRATEGIC DEVELOPMENT OF THE NATIONAL ECONOMY OF AZERBAIJAN

The roadmap of the national economy and major economic sectors, approved in 2016 by the President of Azerbaijan, focused on 8 sectors. The roadmap covers 8 priority sectors - 4 industrial sectors (oil and gas sector, including chemical industry, agriculture, consumer goods, and heavy industry and machine-building industry), and 2 social sectors (specialised tourism and trade logistics), and 2 social sector (affordable housing and training, as a single complex).

Other sectors (financial services, telecommunications and utilities) as infrastructure should support the development of priority sectors. They must operate on the basis of healthy development and be ready for privatization. The roadmap will be implemented in three phases: first - 360-grade diagnosis and SWOT-analysis, the second is the vision of the national economy and the sectoral roadmaps, the third is the master plan and its implementation. The management structure will be rebuilt in accord with the master plan. Besides, mobilization, syndicated and communication platforms will be formed.

When developing strategic and sectoral documents it will be taken into account the objectives of export competitiveness and expansion of foreign direct investment (FDI), import substitution, and improving sectoral efficiency in the domestic market, provision of the sustainability of economic growth, expansion of investment in social justice and inclusion.

First among strategic directions is a focus on strengthening policy implementation, institution building and systems development as a fundamental value for bolstering national capacity development and a continuing prerequisite for sustainable development overall. For example, institutional capacity development will strategically address issues relating to policies, procedures and frameworks that allow organizations to deliver on their mandates, from improving public service delivery to strengthening overall governance, and thereby will aim to ensure greater development impact.

Developing the capacity of the Government in obtaining, analyzing and utilizing quality data through improved and innovative knowledge management will be crucial to ensure effective monitoring, evaluation, sound policy decisions, and effective programming results.

As part of the implementation of Vision 2020 strategy, several other strategies such as the National Strategy for Information Society Development in the Republic of Azerbaijan (2014-2020), the State Programme for Improving Mother and Child Health (2014-2020), the State Programme on Population Development and Demography (2015-2025), the State Strategy for Education Development in the Republic of Azerbaijan, and the Azerbaijani Youth Development Strategy (2015-2025) will feed into the implementation of the Vision 2020 strategy.

Azerbaijan continues its efforts to democratize its social order and State system through increased transparency, accountability and participatory decision making. In 2012, E-Government portal was developed, enabling the use of ICTs in the public sector to maximize its effectiveness, and the State Fund for Development of Information Technologies was established to stimulate entrepreneurship, research and innovations in the ICT sector. In January 2013, the State Agency for Public Service and Social Innovations established its first “single-window” ASAN Service Centre to reduce bureaucracy and eliminate corruption in the provision of various public services. The eighth ASAN Centre was opened in March 2015, and the network will continue expanding countrywide through the end of 2015. As a result, for example, the number of procedures required for starting a business was reduced from 30 to 7, while the costs of the procedures were halved. The ongoing e-government initiative is expected to reduce opportunities for corrupt practices and further promote the role, professionalism and visibility of public service, recognizing that democracy and successful governance are built on a competent civil service.

Institutional capacity development and systems change, to more effectively address equity and sustainability challenges, also require additional strengthening and coordination for enhanced implementation, transparency and accountability – and, ultimately, for effective targeting of, and impact on, the most vulnerable populations.

The availability and reliability of data for development as well as constraints in disaggregation and analysis, remain a challenge in many sectors. Special attention is required to ensure the embedding of a quality assurance system and strengthened civil service capacity at mid-level, to bolster overall monitoring and evaluation (M&E) capacities -- and, as noted above, to foster more equity-focused long-term national visions and evidence-based strategies for Azerbaijan.