

## **Remark by Elnur Ibrahimov**

Excellences,

Distinguished delegates and Ladies and Gentlemen,

- It is my privilege to share our economic performance, experience and challenges on SDG in Azerbaijan up to half-way point of 2030 Agenda.
- In the last two decades, Azerbaijan has demonstrated strong economic performance with GDP per capita having grown roughly four point five (4.5) times between 2000 and 2022. This has resulted in the country's progress to an upper middle-income level.
- According to official statistics, the national poverty rate reduced from almost 30% in 2005 to 5.9% in 2021, showing that the economic growth has translated to improving the people's wellbeing.
- We have demonstrated firm commitment to transitioning to sustainable development and aligning our national development strategy to the SDGs.
- In order to facilitate the realization of the implementation and as professional administration to consolidate core resources for 2030 Agenda, institution mechanism, namely The National Coordination Council for Sustainable Development was established by the decree of the President of Azerbaijan.
- The Council consists of four working groups with the representatives of the competent state bodies were established: Economic growth and decent employment; Social issues; Environmental issues; Monitoring and evaluation.
- Azerbaijan is among 10 countries, which submitted three Voluntary National Reviews in the High-Level Political Forum, held under the auspices of ECOSOC.

- In addition, it might be mentioned that Azerbaijan one of the few countries in the world started SDGs financing and SDGs Investing Process.
- Up to now 40 strategy documents are fully aligned to SDGs and alignment process was catalyzed by approval of Azerbaijan 2030: National Priorities for Socio-Economic Development and Socio-economic development strategy for 2022-2026 of Azerbaijan.
- Approval of these documents set the country's long-term development vector and pathways to socio-economic and environmental development by corresponding five national priorities (approved by Presidential decree) in the subsequent decade.
- The approved priorities are significant to the fulfillment of the commitments arising from 2030 Agenda on SDGs are as follows: steadily growing competitive economy; a society based on dynamic, inclusive and social justice; competitive human capital and space for modern innovations; great return to the liberated territories; clean environment and green growth country.

### **SDG Financing**

- Today as entire countries we have also challenges to SDG Financing. Thank to Our Government, we admit that a sustainable development future requires investing in the present. In this framework, entire government bodies do best to reduce the gap on SDG financing by mobilizing the domestic resources.
- Taking the international initiative on establishment on the SDGs Financing mechanism we work on two massive project and roadmaps, INFF and SDGs Investment Mapping. And currently we are on the final stage on completed the projects.

- We strongly believe these roadmaps will provide us the massive opportunities to identify and implement policies and reforms to increase and better align financing toward the achievement of national sustainable development priorities and also this road map provides a framework for enhancing the coherence of public, private, domestic, international funds for sustainable development respectively.
- Today Azerbaijan open the doors for the new economic model by approval of the mid-term and long-term the national strategies, “Azerbaijan 2030: National Priorities for Socio-Economic Development” and “Socio-Economic Development strategy for 2022-2026 of the Republic of Azerbaijan”.
- Throughout, this strategies Azerbaijan pursue transformational changes in remodeling our economy to make transition to green and circular economy. As a new global challenge, the clean environment and green growth have been identified as one of the five priorities of our new national development strategy. Transition to new greener economic models, we create new various job areas for everyone.
- Thus, established industrial parks in Azerbaijan beyond of creating more than **10000 jobs**, it made a significant contribution to the development of the economy, **by 4 billion dollars cash inflow to the economy**.
- Also, we as a Government of Azerbaijan admits that small and medium-sized enterprises (SME) promotion is a mean to create more and productive employment and decent work for all. Particularly, sustainable SMEs create productive jobs and income, reduce poverty and inequalities, and overcome decent work deficits.

- In this point of view of promotion and development of SMEs role in economy, Government of Azerbaijan provided loans with the lowest percentage to SMEs since. As outcome of this activity to date, provided **778 million dollars credit** to **17 781 entrepreneurs and casued creating of 50 545 new jobs.**

**Ladies and gentlemen,**

- On the way of transition to new economic model, we consider and accept our main priorities of the industrial policy are the acceleration of the development of the non-oil sector, strengthening the competitiveness of domestic production by involving foreign direct investment, improving the welfare of the population and increasing the level of employment.
- And our main goals and targets in our new industry policy the main driver of the industrial policy is the application of the elements of the knowledge economy, the new industrial revolution (industry 4.0), integration into the global value chain, clustering, the development of the modern industrial ecosystem, the protection of strategic industrial areas, as well as the promotion of foreign direct investments, the support of small and medium enterprises, the development of the industry the transformation of the new digital era.
- Within the framework of the industrialization measures carried out in recent times, the diversification of the industry has been expanded, and competitive enterprises based on modern technologies have been established.
- Two main policy and methods are conducted the main transformation for industry and financing the industry for sustainable development in Azerbaijan.

- One of the progressive methods and mechanisms in the sustainable development of industry, especially non-oil industry, is the creation of industrial zones.
- Industrial parks, which make a significant contribution to the development of the economy, the increase of export potential, and the production of competitive products, play a significant role in the development of the country's industry. Currently, there are 7 industrial parks and 5 industrial districts in Azerbaijan.
- In general, enterprises invested 4 billion dollars in industrial zones (parks and neighborhoods), including 52 million dollars for 2022, as a result of which more than 10,000 jobs were actually created.
- In addition, it is planned to invest more than 269 million dollars and create more than 4500 permanent jobs on existing projects. To date, residents have produced more than 5 billion dollars. As a sum-up it could be mention that the contribution of industrial zones to industrialization processes in the country is increasing. In the first half of 2022, compared to the same period last year, production in industrial zones increased by 53 percent, and exports increased by 2 times.
- The second significant methods of transformation on industry is an investment promotion mechanism in which was created with the aim of not only financing the industry but also expanding investment activities in the industrial sector, improving the business environment in this area, creating new production and service enterprises in the non-oil sector, accelerating industrialization, and increasing industrial production.

- Currently, Azerbaijan mainstreaming increasing national capacities in the application of Fourth Industrial Revolution (4IR) technologies and accelerating the digital transformations.
- The signed document on cooperation framework for 2022-2026 between the government of Azerbaijan and the United Nations Industrial Development Organization facilitates this process and the strengthening of the cooperation with the organization and the implementation of the mechanisms serving the sustainable development goals in Azerbaijan. In this line taking the opportunity I do thank you to United Nations Industrial Development Organization for your fruitful corporation.

### ***Key message***

- New economy means speaking of future generations. For our future generation and for our better future we have to focus on our common priorities- formalization of human capital with modern mindset.
- In this line, we have to strength our partnership and walk on this road altogether
- Last but not least, in order to achieve the SDGs, now more than ever is the time to strength our corporation and partnership for our common fate and dream- for better future. Only with our strong partnership, we are unbeaten and we will achieve healthy planet for all of us!

**Thank you and have a wonderful and productive day for all!**

I thank you.