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2016-2020



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#### **Signature Page**

The United Nations – Azerbaijan Partnership Framework (UNAPF) for 2016-2020 has been prepared based on extensive and inclusive consultations with the Government, development partners and other counterparts of the United Nations Development System in Azerbaijan, including non-resident agencies.

By signing hereunder, the participating parties endorse the UNAPF.

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#### **Acronyms**

**CEDAW** Convention on the Elimination of All Forms of Discrimination against Women

**CRC** Convention on the Rights of the Child

**CRPD** Convention on the Rights of Persons with Disabilities

**DRR** Disaster Risk Reduction

**FAO** Food and Agriculture Organization

GDP Gross Domestic Product
HDI Human Development Index
HRBA Human Rights-Based Approach

ICPD International Conference on Population and Development

**IDP** Internally Displaced Person

**IFAD** International Fund for Agricultural Development

ILO International Labor Organization
IMF International Monetary Fund

**IOM** International Organization for Migration

M&E Monitoring and Evaluation

MDGs Millennium Development Goals

MTR Mid-Term Review

NCD Non-Communicable DiseaseNGO Non-governmental organization

**OCHA** Office for the Coordination of Humanitarian Affairs

**PMT** Programme Management Team

**QCPR** Quadrennial Comprehensive Policy Review

RBM Results-Based Management
SDGs Sustainable Development Goals

UNAPF United Nations-Azerbaijan Partnership FrameworkUNCTAD United Nations Conference on Trade and Development

**UNCT** United Nations Country Team

**UNDAF** United Nations Development Assistance Framework

**UNDP** United Nations Development Programme

**UNECE** United Nations Economic Commission for Europe

**UNEP** United Nations Environment Programme

**UNESCO** United Nations Education, Scientific and Cultural Organization

**UNFPA** United Nations Population Fund

**UNHCR** United Nations High Commissioner for Refugees

**UNICEF** United Nations Children's Fund

**UNIDO** United Nations Industrial Development Organization

**UNODC** United Nations Office on Drugs and Crime

**UNOHCHR** United Nations Office of the High Commissioner for Human Rights

**UPR** Universal Periodic Review

WB World Bank

WFP World Food Programme
WHO World Health Organization
WTO World Trade Organization

#### **Foreword**

On behalf of the Government and the United Nations System in Azerbaijan, we are pleased to present the United Nations-Azerbaijan Partnership Framework (UNAPF) for the period 2016-2020. The UNAPF is aligned with the national aspirations articulated in the 'Azerbaijan - 2020: The Vision of the Future' development concept and will build on the key national development priorities as well as the post-2015 development agenda and its new set of sustainable development goals.

The UNAPF was formulated through an inclusive and participatory consultative process coordinated by the Minister of Economy and the United Nations Resident Coordinator's Office. In early 2014, the Government and United Nations in Azerbaijan invited national counterparts, development partners, and representatives from the private sector, academia and civil society to identify strategic priority areas for the UNAPF.

The consultations focused on areas in which the United Nations Country Team (UNCT) has the mandate and capacity to contribute to the national priorities by building on available national human, financial and natural resources, and fully involves and benefits women, youth, and other vulnerable groups.

Deliberations were based on the principles of sustainable development, underpinned by efficient management of natural and renewable resources; economic diversification; resilience of communities to the impacts of hazards and disasters and climate change; commitment to effective and efficient service delivery, with an emphasis on quality; transparency; balanced rural-urban development; gender equality; and human rights, including restoring the rights and protection of refugees and internally displaced persons.

Over the next five years, the United Nations System in Azerbaijan, both resident and non-resident Agencies, will cooperate with the Government, civil society, the private sector and other stakeholders to support a country-driven transformative progress toward: i) promoting sustainable and inclusive economic development underpinned by increased diversification and decent work; ii) strengthening institutional capacities and effective public and social services; and iii) improving environmental management and resilience to hazards and disasters.

This UNAPF is the fourth United Nations cooperation document produced by the United Nations System in Azerbaijan and is characterized by a transition from an assistance-based to a more partnership-based cooperation that contributes to enhanced national capacities and knowledge-intensive, advocacy-driven synergies with the national planning process. Azerbaijan is changing rapidly in light of its significant economic growth as well as gains in knowledge and expertise. The UNAPF will support Azerbaijan in finding solutions to issues of global concern and providing development assistance to other countries under the south-south model of cooperation.

The Government and the United Nations in Azerbaijan will work together and in partnership with all national and international stakeholders, who are committed to promoting sustainable human development in Azerbaijan, in the region and globally, and who stand ready to continue to further promote ownership, inclusiveness, accountability and transparency.

We look forward to UNAPF's contributing to building a new sustainable development partnership that will truly serve human happiness, peace and well-being of all in Azerbaijan.

Shahin Mustafayev Minister of Economy of the Republic of Azerbaijan

Ghulam M. Isaczai UN Resident Coordinator in the Republic of Azerbaijan

#### **United Nations-Azerbaijan Partnership Framework**

#### **Declaration of Commitment**

In support of inclusive, equitable and sustainable development in the Republic of Azerbaijan, the Government and the United Nations Country Team pledge to work closely together to support fulfilment of the 'Azerbaijan - 2020: The Vision of the Future' development concept (hereinafter referred to as Vision 2020) as well as national implementation of the post-2015 development agenda and Sustainable Development Goals. In so doing, they will address the country's development priorities in partnership with national counterparts, international development partners, civil society, the private sector, international finance institutions, and other stakeholders.

UNAPF will be implemented in accordance with the legislation of the Republic of Azerbaijan.

The collective aspiration under this United Nations-Azerbaijan Partnership Framework will be to move toward greater collaboration, focus and coherence in programming, and to enhance the impact of support as we seek to improve the quality of life for all people in Azerbaijan.

In pursuit of these objectives, we will be guided by the national aspirations and commitments of the Republic of Azerbaijan, as a member of the international community, particularly with regard to the Busan Partnership for Effective Development Cooperation. We also will respect and adhere to the principles and ideals of the United Nations, including those embodied in the global United Nations reform agenda, supporting the strengthening of the organization's ability to effectively and efficiently deliver results to those most in need, do more with the resources it has, and increase its flexibility and accountability.

#### **Executive Summary**

The United Nations-Azerbaijan Partnership Framework (UNAPF) sets the strategic vision and direction for the United Nations Country Team (UNCT) during the period 2016-2020 and is the result of a consultative process between the Government and the UNCT and its national and international partners. It analyzes how the United Nations System can most effectively coordinate its activities in response to national priorities, while also serving as an easily accessible overview of United Nations general goals and activities in Azerbaijan.

The coming years will be defined by important contextual changes for the United Nations-Azerbaijan partnership. In this regard, the UNAPF has been particularly guided by the country's aspirations under *Vision 2020*, related national strategies and policies, and the 2030 agenda and Sustainable Development Goals as well as by the United Nations' comparative advantages with regard to helping achieve tangible progress toward these national and global goals.

Building on the previous United Nations Development Assistance Framework (UNDAF), the UNAPF represents a further step towards a more mature partnership with the Government of Azerbaijan, with greater efforts for a strategic and focused approach of the United Nations to allocating its relatively limited resources, fulfilling its normative and advocacy role, and providing overall high quality support to Azerbaijan in a sustainable manner. The human-oriented and rights-based approach will remain an important approach to all of the United Nation's work over the next five years.

Fundamentally, the United Nations System in Azerbaijan, both resident and non-resident agencies, will foster deepened relevance as the basis of the partnership with Government and other stakeholders. Efforts will capitalize on different Agencies' expertise to deepen both horizontal and vertical linkages between sectors and institutions at both national and district levels. Particular attention will be given to assisting Azerbaijan to offer development support for the region and globally, while addressing key human development challenges that remain within the country. Complementing a focus on achieving equity and broadening development opportunities for all vulnerable groups, special attention will be given to the Internally Displaced Persons (IDPs) living in the country (629,994 IDPs, according to government statistics as of 1 July 2015).

Three inter-related Strategic Priority Areas have been identified:

- Promoting Sustainable and Inclusive Economic Development Underpinned by Increased Diversification and Decent Work
- Strengthening Institutional Capacities and Effective Public and Social Services
- Improving Environmental Management and Resilience to Hazards and Disasters

Within these priority areas, cross-cutting issues of <u>a human rights-based approach</u>; <u>gender equality</u>; <u>youth</u>; <u>specific capacity development for monitoring and evaluation</u> (e.g., institutional, technical, managerial); and <u>improving the overall evidence base</u> will all be present.

In particular, several key strategies for effective UNAPF implementation have been identified and will be mainstreamed throughout the process. Moreover, the United Nations System will strive to not only bring the world to Azerbaijan, but also to bring the considerable achievements of Azerbaijan to the world.

First among UNAPF strategies 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.

The national capacity development paradigm that represents the heart of the United Nations' mandate and expertise will be heavily emphasized. This gives tangible expression to national ownership and enables more informed choices at both institutional/organizational and individual levels. Capacity development will be linked with Azerbaijan's overall need to address a national goal of balanced regional development.

Likewise, promoting better access to and distribution of development benefits to ensure social inclusion, especially for persons with disabilities, women and youth, in programming outcomes is critical. In all, this will involve more effective targeting of programme activities. An important opportunity exists for the United Nations System to build capacity for a human rights-based approach to development, specifically empowering women, youth, children, and other vulnerable groups. The UNAPF will aim to strengthen national capacity to ensure that international human rights mechanisms and standards and gender equality norms are substantively mainstreamed into key policy planning and implementation processes at national and local levels through promoting the key human rights principles of participation, inclusion, equality, non-discrimination and accountability in the abovementioned three strategic priority areas to sustain development results.

In addition, 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 and evaluation and sound policy decisions and effective programming results.

Lastly, the United Nations' wide recognition and credibility are complemented by its acknowledged impartiality and convening power. In particular, it can help to promote and

monitor implementation of international agreements and obligations of Azerbaijan, while supporting the further design and application of effective social policies and programmes to increase social cohesion and reach the most vulnerable groups.

Key means of implementation will be further refined during UNAPF implementation through coordination mechanisms already being developed; some will require collaborative or joint programming or funding. The UNCT will strive for robust joint programming and interagency cooperation, and explore opportunities for resource mobilization and more "joined-up" approaches, applying the most appropriate and feasible elements of the Standard Operating Procedures for Delivering as One. This will include elements of *One Leader (Empowered RC* and *Empowered UNCT)*, *Operating as One*, and *Communicating as One*. All this is expected to give rise to:

- Better United Nations-wide coordinated efforts with national institutions
- Better balance between policy development and effective service delivery
- Better balance between development of urban and rural areas
- Increasing empowerment of civil society to take active part in the development process
- Increasing commitment to social inclusion, particularly for women, youth, children and vulnerable (from social point) groups, such as IDPs and refugees, persons with disabilities
- Stronger focus on evidence-based results through effective monitoring and evaluation mechanisms

#### I. Introduction

### 1.1 A Defining Moment for a New Partnership: Emerging Opportunities and Key Challenges

As a strategic planning framework for cooperation at country level, the United Nations-Azerbaijan Partnership Framework (UNAPF) provides a basis for increased collaboration, coherence and effectiveness of United Nations System initiatives and support. It further aims to help ensure that all people in Azerbaijan, in an inclusive manner, enjoy lives of dignity, wealth and security, while particularly seeking to deepen the partnership between the United Nations System and the Government.

The UNAPF is a collective and integrated response to national priorities set out in the *Vision 2020* document, reaffirming full alignment of the UN operational activities with national policies and plans. These priorities address the situation for Azerbaijan resulting from the recent major socio-economic developments and trends, which encompass an emphasis on transitioning to a knowledge-based, diversified and highly competitive economy as well as a balanced regional development; improved human capital, effective social protection services; better management of cultural heritage; and sustainable protection of environment.

The UNAPF also reflects the aspirations of 2030 Agenda for Sustainable Development and its accompanying Sustainable Development Goals (SDGs), which build on the Millennium Development Goals (MDGs) and the broader Millennium Declaration, and aim to bring together efforts to further the social, economic and environmental aspects of sustainable development. The 2030 Agenda for Sustainable Development has been endorsed at a high-level Special Summit in September 2015 in New York, and will require a new vision and a joined-up UN system response to ensure the UN Development System is "fit for purpose" in supporting sustainable development and delivering effectively at the country level.

The success of the SDGs will be determined by national ownership and commitment, therefore the entrenchment of the new goals in national policies will remain crucial to identify national targets and indicators and track their progress. The UNAPF will serve as an instrument for ensuring that the SDGs are embedded into national policies, decision-making, policy coordination, and actions for achieving sustainable development. In consultation with the Government of Azerbaijan, development partners and other stakeholders, the localized SDGs will be integrated into the UNAPF through identifying interlinkages and key areas of reinforcement and alignment.

Moreover, the UNAPF follows up on recommendations generated by the post-2015 national consultations as well as conclusions emanating from numerous international review processes. These include the Universal Periodic Review (UPR), Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), Convention on the

Rights of the Child (CRC), Convention on the Rights of Persons with Disabilities (CRPD), international Conventions on stateless persons and refugees, Guiding Principles on Internal Displacement, Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families, and the International Conference on Population and Development (ICPD) Beyond 2014 as well as 2012 UN Conference on Sustainable Development (Rio+20), UN General Assembly Resolution on Non-Communicable Diseases (2011), Health 2020 policy, the UN World Conference on Disaster Risk Reduction in Sendai, Japan in March 2015, and UN Climate Change Conference (COP20) in Lima and the Conference of the Parties (COP21) that took place in Paris in December 2015.

At an early stage of independence, the Republic of Azerbaijan experienced a massive displacement crisis as a result of the armed conflict with the Republic of Armenia in and around the Nagorno-Karabakh region of Azerbaijan. As a result of the conflict, over one million people fled their homes becoming refugees or IDPs. More than two decades later, 629,994 persons (as of 1 July 2015) from the occupied Nagorno-Karabakh region and the seven surrounding occupied districts remain internally displaced. Despite a fragile ceasefire of 1994, displacement still remains a major challenge for the country – no political solution has been reached between the two sides, and a durable solution is yet to be achieved. The Government of Azerbaijan has responded to the challenge of protecting and supporting IDPs through a comprehensive and well-resourced set of assistance programmes. <sup>1</sup> Notably, local integration has been facilitated for 400,000 IDPs as part of the overall government support. The Government of Azerbaijan continues to make considerable investments to improve the overall living conditions of the displaced population and assumes full responsibility for the protection of, and assistance to, the IDPs and refugees.

Addressing the needs of IDPs and providing paths to improve their livelihoods and self-reliance is one of the priorities of both *Vision 2020* and the UNAPF, which is aligned with not only the national strategic plan but also the recommendations generated by the national consultations on the post-2015 development agenda. The Government of Azerbaijan is committed to rebuilding the conflict—affected territories as soon as the peace agreement is achieved. The United Nations System in Azerbaijan stands ready to assist the Government, once a peace agreement is reached, enabling them to return to their home in safety and dignity, including in planning and implementing IDP return and resettlement programmes and rehabilitation of the conflict-affected territories.

The UNAPF is intended to move upstream with its approaches and assist policymakers in capitalizing on opportunities to review achievements in the country, refine existing goals and chart the course for new development goals in Azerbaijan to ensure that the next generation of national goals has a greater emphasis on equity, quality and sustainability. At the same time, the UNAPF is flexible to adjust to the emerging issues that the UN Country Team or individual United Nations Agencies could consider to undertake, within their

<sup>1</sup> WB Report 'Azerbaijan - Building Assets and Promoting Self Reliance: The Livelihoods of Internally Displaced Persons', 2011, p. 10

mandates that are in line with the emerging needs identified in collaboration with the Government.

At the same time, the United Nations in Azerbaijan will seek to work with the Government in leveraging Azerbaijan's role in the region in line with strategic priorities of regional interest and concerns as well as to identify possibilities for international cooperation using Azerbaijan expertise for the benefit of low-income countries and the promotion of global commitments and agreements. The UN can assist Azerbaijan to showcase its own best practices in an international context, including through strengthening of its cooperation with developing countries.<sup>2</sup> Over its years of transition, Azerbaijan has accumulated a wealth of experience, technical knowledge, expertise and best practices that can be an important contribution to global partnership platforms. Azerbaijan has already taken important steps in this direction. It has contributed to humanitarian and development activities as evidenced by the country's generous donations of funds to natural disaster relief in affected countries, and contributions to United Nations Agencies as well as bilateral assistance to Afghanistan and other countries.

An important consideration in the development of the UNAPF has been the Quadrennial Comprehensive Policy Review (QCPR), which is undertaken as a mechanism to assess the impact, effectiveness, efficiency, and coherence of UN operational activities for development, and provides an important opportunity to Member States to engage in a dialogue on how to adapt UN operations for development to the changing global development cooperation context. The UN Development System in Azerbaijan will strive to promote a sense of national ownership and leadership, and will forge greater internal collaboration, programmatic coherence and mutual reinforcement. The UNCT will apply three pillars of **Delivering as One** model (as described in Annex 3) to enhance its efficiency and effectiveness through creating synergies and potential for more impactful action as well as the use of joint mechanisms for coordination, monitoring and evaluation, and reporting for the UNAPF deliverables.

Overall, the UNAPF has paramount significance given that it comes at a moment when the United Nations System is redefining its role in Azerbaijan to increase the relevance and impact of its support. In particular, the United Nations Country Team (UNCT)<sup>3</sup> is looking to (1) strengthen the United Nations' strategic partnership with Azerbaijan, as an upper-

<sup>&</sup>lt;sup>2</sup> Also known as South-South Cooperation, or East-East Cooperation.

The United Nations Country Team in Azerbaijan comprises of 17 organizations, both resident and non-resident, including United Nations Development Programme (UNDP), United Nations Children's Fund (UNICEF), United Nations Population Fund (UNFPA), United Nations High Commissioner for Refugees (UNHCR), Food and Agriculture Organization (FAO), World Health Organization (WHO), World Bank (WB), and International Organization for Migration (IOM). Non-resident Agencies include the International Fund for Agricultural Development (IFAD), International Labour Organization (ILO), Office of the High Commissioner for Human Rights (OHCHR), United Nations Environment Programme (UNEP), United Nations Industrial Development Organization (UNIDO), United Nations Office on Drugs and Crime (UNODC), United Nations Educational, Scientific and Cultural Organization (UNESCO), UN Women, Office for the Coordination of Humanitarian Affairs (OCHA). The Agencies vary in the levels of representation, scope of their work and staff resources available for joint United Nations activities.

middle-income country, with more focused and strategic areas of viable partnership and engagement; (2) increase visibility of the United Nations in support of national development goals; and (3) improve coordination and performance of the United Nations. In this regard, the continuing support of the Ministry of Economy, the UNCT's main Government coordinating partner for the UNAPF formulation and implementation, has been important, as has that of other key Government entities.

The UNAPF will focus more on policy advice, evidence-based programming, and knowledge sharing. The United Nations System in Azerbaijan, while developing coherent approaches to programming and cooperation, will take an innovative approach to making use of the analytical capacities available across the UN (including non-resident agencies) and engaging (from the planning to the evaluation of programmes) the Government counterparts, development partners, and other stakeholders who play a critical role in Azerbaijan's overall development to promote a sense of ownership. The Government of Azerbaijan and the UN Country Team will have a mutual accountability for delivering the outcomes. Each UN Agency will be accountable for its contribution to the selected outcome(s) as per its mandate and agreed country programme.

In a shrinking funding environment where UN Agencies, under their current funding model, are caught in a situation where a decreasing amount of core resources is likely to be made available to finance the organizations, the actual resource commitments will be made only when detailed country programmes are drawn up, according to the procedures and approval mechanisms of each agency.

The UN Country Team will be collectively responsible at a strategic level for the implementation of the UNAPF through joint programmes (where appropriate), partnership building, planning/reporting and joint advocacy efforts, within the strategic outcomes and cross-cutting areas. Three UNAPF Results Groups and a M&E Group co-led by the conveners as well as four UN Theme Groups will increasingly become the fora for coordination not only within the UN system, but also with national partners and non-state actors.

#### **Azerbaijan's Development Context**

The UNAPF has been developed in a context of the Republic of Azerbaijan having high overall human development indicators and reaching the upper-middle-income status. The country is believed to be on track to achieve most of the MDG targets by 2015, and is well-positioned to tackle the post-2015 development agenda. Under *Vision 2020*, the Government's aspirations focus on ambitious goals of doubling Gross Domestic Product (GDP) and strengthening Azerbaijan's position among the high income countries according to the WB classification based on a GNI per capita, and raising to the higher positions in the High Human Development group, according to the UNDP country classification system based on HDI.

With a Human Development Index (HDI) of 0.747, Azerbaijan (over 9.6 million people<sup>4</sup>) stands 76<sup>th</sup> among 187 countries ranked in the global Human Development Report 2014<sup>5</sup>, according to which life expectancy increased by 6 years between 1980 and 2012; years of schooling also increased by 0.4 years during that period, to 11.7 years. Significant investments have been made in improving infrastructure in education and health. Progress toward the MDGs has been largely positive.

The country experienced a period of significant progress in the last decade, during which the average growth rate reached record-high levels and poverty decreased significantly (from 49.0 percent in 2001 to 5 percent in 2014, according to official statistics). GDP growth rate averaged 12.9% (in oil sector - by 17.9% and non-oil industries - by 10.2%) from 2004 to 2013. Azerbaijan has recorded strong GDP per capita of about US\$8,000 in 2013<sup>6</sup>. On average, the economy grew by 15.3 percent per year in real terms during this period, mainly driven by the oil sector (21.5 percent growth per year), but with a significant contribution from the non-oil sector (11.1 percent per year). Recent national policies are demonstrating Government's awareness of the need for a diversified development to strike a greater balance between natural resources, built capital, created jobs, and economic institutions. Azerbaijan also keeps moving up in the global competitiveness rankings, owing to its strengths in the areas of macro-economic environment and labour market efficiency. According to the Global Competitiveness Report, in 2012-2013 Azerbaijan rose from 55<sup>th</sup> place to 46<sup>th</sup>, ranking first among all post-Soviet countries. In 2013-2014, the Azerbaijan economy was ranked even higher, at 39<sup>th</sup> position and in 2014-2015, it stood 38<sup>th</sup> position among 144 countries.

To ensure sustainable growth, the Government strives to turn the non-oil sector into a driving force for the national economy. The Government announced 2014 as The Year of Industry and 2015 as The Year of Agriculture. The Government prepares the Strategy for the Development of Agro-Industrial Complex in the Republic of Azerbaijan to accelerate industrial development and further improve the agriculture sector as a dominant force in the rural economy, and has approved the State Programme on the Development of Industry in the Republic of Azerbaijan.

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.

<sup>&</sup>lt;sup>4</sup> State Statistical Committee data, 2015

<sup>&</sup>lt;sup>5</sup> HDR 2014, p. 161 - http://hdr.undp.org/sites/default/files/hdr14-report-en-1.pdf

<sup>&</sup>lt;sup>6</sup> State Statistical Committee data, 2015

Achieving rapid and sustainable development of the non-oil economy will entail capacity building and improving infrastructure, making social development more inclusive by reducing regional economic disparities, promoting good governance, and improving the climate for private sector growth. The United Nations System in Azerbaijan will continue to provide its concerted support to the Government on the policy front, building national institutional capacity to more effectively manage the ongoing reforms and more substantively address the pending development agenda.

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.

Along with establishing itself as a reliable supplier of energy in the region and in the global market through the launch of several regional infrastructural projects, Azerbaijan has initiated the Trans-Eurasian Information Super Highway (TASIM) and the Eurasian Connectivity Alliance (EuraCA), which will provide ICT services to the region, facilitating access to the Internet, telecommunication systems and e-information resources for 20 countries. Azerbaijan also is an emerging donor of international aid in the region. In 2011, the country established the Azerbaijan International Development Agency (AIDA), which identifies and provides aid to crisis-affected countries that are in need of assistance.

In all, Azerbaijan can offer development support and new initiatives for the region and the world by building on areas where the country has accumulated expertise. For example, the United Nations System provides support to the Government to further promote South-South cooperation through knowledge sharing in areas such as business support infrastructure development, investment promotion, ICT/e-governance, mine action, pension reform, civil service, State management of mineral wealth, and youth participation and empowerment, among others. In addition, in recent years, several United Nations Agencies have been closely cooperating with the above-mentioned ASAN Centres and making efforts to share their multi-sectoral expertise and experiences, specifically promoting e-governance, law enforcement, child-friendly services and youth volunteerism with other United Nations Member States in the region and beyond.

Yet amid these important development opportunities, a range of key challenges remains. Azerbaijan's economic structure continues to be highly reliant on the oil and gas sectors. In an environment of declining oil prices, which have fallen by about 55 percent since September 2014, the overarching challenge for Azerbaijan remains bringing fiscal policy to a sustainable position. The national labour market requires strengthening to address key issues of mismatches of demand and supply as well as high standards of capacity building.

In turn, this overall structure is contributing to important development disparities in the country. Critically, the distribution of economic wealth is uneven between rural and urban areas. Although poverty has been significantly reduced, a considerable number of vulnerable people – including rural dwellers, families with many children, separated families, persons with disabilities, labour migrants, and IDPs – remain just below or above the poverty line and are particularly vulnerable to external shocks. With increased living costs, social assistance and pension packages are challenged to satisfy basic needs. IDPs are particularly vulnerable to poverty, poor living conditions and low employment rates, and are increasingly dependent on Government assistance to make ends meet. National legislation contains a multitude of legal provisions aimed at normalizing the status of IDPs, not only as citizens with equal rights, but also in providing certain affirmative actions aimed at alleviating their grievances from the loss of their property and homeland.

The overall quality of social services, particularly education and health care, represents a concern despite notable progress. Only 14.8 percent of children overall are covered by preschool education (21.8 percent urban, 8.1 percent rural). According to United Nations data, secondary school dropout rates among boys and girls stand at 2.4 percent and 1.1 percent respectively. According to the national 2011 Demographic and Health Survey, the infant mortality rate is 32.4 per 1,000 live births, while the under-5 mortality rate is 39.6.8 Low-birth-weight babies comprise 10.2 percent of all births<sup>9</sup>. Although there exists a network of primary health care facilities in the country, modern scales for early detection and prevention of child disabilities are not used, and a medical approach to disability still prevails. Moreover, Azerbaijan, like many European countries, is experiencing emerging health issues arising from non-communicable diseases (NCDs), such as the harmful effects of smoking, and is beginning to address a number of these issues with support of the United Nations System through national NCD policy, based on the main principles of the Global NCD Action Plan (2013-2020) and the UN General Assembly resolution on NCDs (2011). It will be particularly important for health issues to be considered and reflected in most national development processes, in compliance with the European Policy for Health (Health 2020), which addresses the inverse relationship between socio-economic factors and health outcomes, particularly through acknowledging the importance of addressing social

<sup>&</sup>lt;sup>7</sup> State Statistical Committee, accessed at <a href="http://www.stat.gov.az/source/education/indexen.php">http://www.stat.gov.az/source/education/indexen.php</a>.

<sup>&</sup>lt;sup>8</sup> Public Health and Reforms Centre (PHRC) [under the Ministry of Health of the Republic of Azerbaijan] 2013. Demographic and Health Survey, Azerbaijan, 2011. Ministry of Health (MoH) [Azerbaijan], Baku, Azerbaijan, p. 104

p. 104. 9 Ibid., p. 127.

determinants of health. Health issues also were highlighted by participants in the national post-2015 consultations.

Building the skills necessary to flourish in an increasingly global economy is an urgent priority. To promote youth employment, the modernization of vocational education and training (VET) systems, particularly with regard to governance, institutions and curricula, will need to be continued. In turn, this will strengthen links between vocational education and labour market needs, and will render VET schools more attractive as important players in the skills-formation process. In this context, capacities for monitoring labour market developments and skills needs analysis will need to be developed.

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 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.

Azerbaijan is vulnerable to a number of hazards and disasters, including earthquakes, seasonal floods and landslides. High exposure and vulnerability of the population to hazards and disasters, are likely to increase disaster risks. Natural hazards cause significant damage to agriculture in rural areas and to infrastructure in urban areas. The urgent addressing of environmental issues is likewise becoming increasingly important, to protect the environment from the negative impact of harmful economic activities; air and water pollution are high, while a crucial shortage of drinking water exists. Moreover, Azerbaijan is highly vulnerable to climate change, particularly given its high reliance on the agriculture sector, as well as the need to update energy sector infrastructure, strengthen adaptive capacities and resilience, and potentially mitigate or adapt to the impact of catastrophic events. The relevant policy document on the improvement of environment and rational use of natural resources has been prepared and the promotion of environmental sustainability will remain a top priority.

Central to all these challenges is the provision of gender equality. While the country has taken a series of important steps to address women's particular vulnerabilities, evidence-based data reveal that women are still at major risk of individual, institutional and structural discrimination, both in the public and private sectors. For example, data from the State Statistical Committee show that the share of women in post-graduate education is low, although indicators of female involvement in primary, secondary and tertiary education are nearly equal to those of males.

Meanwhile, data on representation of women in decision-making positions and overall employment reveal persistent horizontal and vertical disparities in all sectors, with women concentrated mainly in low-wage sectors such as education, health and social services. Prevalent gender stereotypes and attitudes further reinforce traditional gender roles and create grounds for diverse forms of gender-based discrimination such as early marriages, gender-biased sex selection, and domestic violence.

Social inclusion and meaningful empowerment among youth and vulnerable groups, such as IDPs and persons with disabilities, likewise remain to be further addressed. For example, nearly 1 in 4 people in Azerbaijan is younger than age 14; a need thus exists to increasingly channel the momentum and energies of adolescents and youth, both male and female, to prepare them for future leadership roles.

In terms of overall human rights, Azerbaijan has acceded to or ratified 172 international treaties, protocols and other instruments, including most of the core United Nations human rights treaties. In addition, it has adopted the second National Human Rights Action Plan and implemented a number of relevant judicial and legal reforms.

#### **Collaborative Formulation of the UNAPF**

Overall, people in Azerbaijan have high expectations for tangible improvements in their daily lives, and must see increased dividends from stability and economic growth to enhance confidence in their future. Azerbaijan thus must continue to manage its development process carefully to reduce inherent vulnerabilities in a diverse society and to further consolidate and share best practices from its considerable development gains, with the expansion of inclusive development being critical.

Not only does the UNAPF provide a framework for future collaboration, it also results from a consultative, comprehensive and dynamic strategic priority-setting process. The UNAPF process began in November 2013 with a mid-term review (MTR) of the 2011-2015 UNDAF, which underpinned an innovative "hybrid strategy" of analysis and complementary gap analysis chosen by the UNCT as further steps to prepare for the forthcoming programming cycle. In turn, this initiative was based on movement toward development of a partnership framework focused on (1) deeper partnership building with national partners, (2) enhanced focus on policy and upstream advocacy, (3) demand-driven engagement, and (4) national ownership along with mutual accountability for results.

To ensure a strengthened Government role as leader and driver of development processes and facilitate participation and assurance of national ownership of all expected development results, UNDAF sensitization workshops were organized in early 2014, in collaboration with the Government, civil society, development partners and other stakeholders to deepen the understanding of counterparts and partners of the Human Rights-Based Approach, Results-Based Management and gender, which are important and

often rather complex areas. The sensitization has also served as a great advocacy tool. Most workshop participants were engaged in the UNAPF milestone events and were included in the UNAPF Results Groups and Monitoring & Evaluation Group.

The design of the UNAPF evolved from strategic discussions, both within the United Nations System itself and with the Government, civil society, the private sector and other stakeholders, to determine how the United Nations System is best suited to support the Government's goals. A combined Country Analysis and UNDAF Evaluation in April-May 2014 helped identify key development concerns and issues where the United Nations System offers unique comparative advantages in a middle-income country context, and where coherent programme support and cooperation can produce the greatest results. At the same time, a final UNDAF Evaluation echoed the UNDAF MTR conclusions on the need for a much stronger integrated United Nations System approach in Azerbaijan and a convergence of interventions that brings together the capacities and expertise of United Nations Funds and Programmes in support of national priorities.

At the Joint Strategic Prioritization Workshop co-hosted by the Government and the UN Country Team in June 2014, three UNAPF Strategic Priority Areas were identified, building on rich discussions among the United Nations System, including non-resident Agencies, the Government and other stakeholders on overall development directions. A decision also was taken to produce the UNAPF Results Matrix at the strategic Outcome level. A joint UNAPF Results Groups formed under each area worked to refine the Strategic Priority Areas and agree on a set of strategic Outcomes. A Validation Workshop co-hosted by the Government and the UNCT in September 2014 provided important impetus for deepening consensus around the agreed Strategic Priority Areas and Outcomes as well as agreeing on other key details of the UNAPF Results and Resources Framework, including indicators, baselines, targets, means of verification, key risks and assumptions, and indicative resources.

The UNAPF also benefited from extensive review by the UNCT, the Regional Inter-Agency Peer Support Group (PSG), and the Government, for quality support and assurance.

The entire UN Development System in Azerbaijan – all funds, programmes and agencies – is expected to align the respective country cooperation strategies for the period 2016-2020 to support and reinforce the common vision expressed in the UNAPF.

It must be noted that the UNAPF is a living document, flexible enough to respond to Azerbaijan's evolving socio-economic context and emerging issues. The UNAPF particularly offers important opportunities for stronger national leadership, ownership of and accountability for the development agenda. The framework thus is intended to actively support national priorities; be better targeted and focused; be achievable and inspiring; and, above all, have impact. Overall, therefore, the goal of the UN Country Team is convergence in planning: designing certain initiatives collaboratively and sharing these plans as an

integrated whole, allowing the UNCT to be an active, coordinated and responsive partner with the people and the Government of the Republic of Azerbaijan.

#### 1.2 Strengths of the United Nations and Strategies for Cooperation

Many middle-income countries (MICs) share some, if not all, of the following basic commonalities: High economic growth; openness to trade and integration in the global economy; low dependence on foreign aid; and considerable access to private capital and investments. As more international development goals are achieved on aggregate, these countries, including Azerbaijan, are shifting toward a greater interest in regional and global public goods; focusing on social groups and development areas that lag behind; and promoting broader issues of socially and environmentally sustainable development. This marks a fundamental shift in the development paradigm, resulting in global development partnerships as the dichotomy of "donors" and "recipients" of development assistance becomes less relevant.

However, MICs also face shared development challenges, and many MICs have fallen behind in achieving the Millennium Development Goals. Symptoms of the "middle-income trap" likewise can be observed in most MICs, such as stagnant growth; vulnerability to external shocks; growing inequality and social exclusion of some groups from the benefits of development; failure to compete with low-income, low-wage economies in manufacturing exports as well as with advanced economies in high-skill innovations; low levels of diversification; income inequality; youth unemployment; and market, institutional, governance and behavioural weaknesses that inhibit the adoption of the latest technologies. Many MICs thus fail to move to the high-income level and also persistently face the risk of falling back below the poverty line.

Several key strategies for effective UNAPF implementation have been identified and will be mainstreamed throughout the process. These build on the five core United Nations programming principles of a HRBA in all areas; gender equality; environmental sustainability; RBM; and capacity development.

First is a focus on *strengthening policy implementation, institution building and systems development* as a fundamental for bolstering national capacity development and a continuing prerequisite for sustainable development overall. This will be centred on results-based development outcomes, effective management of human resources and adequate financial resources and tools to achieve such results. 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

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<sup>&</sup>lt;sup>10</sup> UNDP, UNFPA, UNOPS, UNICEF, UN Women and WFP, Middle-Income Countries: The Role and Presence of the United Nations for the Achievement of the Internationally Agreed Development Goals. New York, January 2012.

service delivery to strengthening overall governance, and thereby will aim to ensure greater development impact.

The United Nations System is particularly well-placed to continue to harness its leadership, advocacy and global access to offer high-level substantive and strategic policy advisory services that respect a development approach adapted to local realities. In turn, Agencies also will be positioned well vis-à-vis the Government in support of the results of the Quadrennial Comprehensive Policy Review (QCPR) by the United Nations General Assembly, as well as the 2011 Busan Declaration on Effective Development Cooperation.

The national capacity development paradigm that represents the heart of the United Nations' mandate thus will be heavily emphasized. This gives tangible expression to national ownership, and enables more informed choices and decisions at both organizational and individual levels. Capacity development also will be linked with Azerbaijan's overall need for effective strengthening of national institutions to ensure equity in human development, underscoring the national goal of balanced regional development. Critically, capacity development will be customized to each sector or Ministry through a policy dialogue. Complementarities, ability to scale up initiatives, and impact and cost effectiveness also will be taken into account.

Likewise, promoting better distribution of development benefits to ensure social inclusion, especially for women and youth, in programming outcomes is critical. In all, this will involve more effective targeting of programme activities. An important opportunity exists for the United Nations System to build capacity for a human rights-based approach to development, specifically empowering women, youth, children and vulnerable groups, such as IDPs, elderly, persons with disabilities, migrant workers.

In addition, developing the capacity of the Government in obtaining, analyzing and utilizing quality data through *improved and innovative knowledge management* — employing new mechanisms based on the findings of evaluation and impact approaches, and expanded access to regional and global United Nations expertise and databases — will be crucial to ensure sound and evidence-based policy decisions and effective programming results.

Lastly, the United Nations' wide recognition and credibility are complemented by its acknowledged impartiality and convening power. In particular, it can help to promote and monitor implementation of international agreements and obligations of Azerbaijan, while supporting the further design and application of effective social policies and programmes to increase social cohesion and reach the most vulnerable groups. Likewise, it can effectively promote inclusive development and socially and environmentally sustainable growth through its considerable analytical capacities, including among non-resident agencies.

Fundamentally, the United Nations System will foster deepened trust as the basis of the partnership with Government, civil society and other stakeholders. Moreover, in so doing, it

will strive to not only bring the world to Azerbaijan, but also to bring the considerable achievements of Azerbaijan to the world. This will specifically include using its comparative advantages to support achievements in human development and the social sectors to assist Azerbaijan in the process of transition to a knowledge-based and increasingly higher-income country.

At the same time, the United Nations System's wide experience in strategic development visioning, with a focus on crosscutting themes and multi-sectoral issues, is underpinned by a set of effective accountability mechanisms. In particular, it offers considerable potential to build and expand strategic partnerships with national and regional institutions, non-Governmental and civil society organizations, think tanks, academia, media and the private sector to push forward the development agenda, while also to stimulate such inclusive processes. Efforts will capitalize on different Agencies' expertise to deepen both horizontal linkages (between central-level institutions) and vertical linkages (between central and district levels).

The UN System in cooperation with the Government will further harness the ability of civil society and strengthen social partners' and institutions' awareness of international standards and conventions to help non-state actors contribute to Azerbaijan's social and economic development. With a growing emphasis on youth volunteerism (e.g. ASAN Centres; the First European Games hosted by Azerbaijan in June 2015), there is scope to utilize these resources to a greater degree. To facilitate this, the UN has valuable experience and best practice to share.

These key means of implementation will be further refined during UNAPF implementation through coordination mechanisms already being developed (see also Section IV); some are likely to require collaborative or joint programming or funding. The UNCT will thus strive for robust joint programming and inter-Agency cooperation, and explore opportunities for resource mobilization and more "joined-up" approaches, applying the most appropriate and feasible elements of the *Standard Operating Procedures for Delivering as One*. This will include elements of *One Leader (Empowered RC* and *Empowered UNCT), Operating as One*, and *Communicating as One*. All this is expected to give rise to:

- Better United Nations-wide coordinated efforts with national institutions
- Better balance between policy development and effective delivery of quality service
- Better balance between development of the centre and district communities
- Increasing empowerment of civil society to take active part in the development process
- Increasing commitment to social inclusion, particularly for women, youth, children and vulnerable groups, such as IDPs and persons with disabilities
- Stronger focus on evidence-based results through effective monitoring and evaluation mechanisms

These advantages point to the United Nations' strengths in playing an important convening, coordinating, bridging, and knowledge-sharing role during the UNAPF cycle. In sum, the

United Nations will offer high-end, value-added interventions that generate and complement national knowledge and deliver results.

In addition to joint partnerships and thematic collaboration, the UNAPF clearly recognizes the importance of the individual mandates and work of the respective UN Agencies as well as the advocacy and normative work of the United Nations in the context of Azerbaijan as a middle-income country. As part of the process of preparing the UNAPF, each agency has reviewed its own strategy and work programme to ensure that it is responding adequately to national priorities, with a focus on moving "upstream" and better utilizing the strengths of the UN System in Azerbaijan to deliver effectively. The results and activities to be undertaken by the United Nations are briefly described below; a Results and Resources Framework is detailed in Annex 1, while Agency-specific inputs under each Outcome are outlined in Annex 2.

#### II. UNAPF Strategic Priority Areas and Expected Results

The UNAPF builds on the Government's aspirations expressed in *Vision 2020*, which foresees the country becoming internationally competitive and economically diversified, with broad opportunities and decent work for all; a reduction in regional inequalities; strengthening of good governance; and reaping the benefits from quality social services. The national strategic priorities are:

- Toward a highly competitive economy
  - Formation of an economic model based on effective State regulation and mature market relations
  - Improvement of the economic structure and development of the non-oil sector
  - Support for scientific potential and innovative activity
- Improvement of transport, transit and logistics infrastructure and balanced development of regions
- Development of Information and Communication Technologies and ensuring a transition to an information society
- Development of human capital and establishment of an effective social security system
  - Improvement of the population's health and strengthening of the health care system
  - o Formation of a modern education system
  - Improvement of the social security system
  - Provision of gender equality and the development of the family
  - Development of youth potential and sports
  - o Improvement of legislation and strengthening of institutional potential
  - Development of civil society
  - Promotion of productive and inclusive employment
- Protection and effective management of cultural heritage
- Environmental protection and ecological issues

The UNAPF strategic priority areas have been informed by (i) the findings of the combined Country Analysis and UNDAF Evaluation, (ii) the dialogue between the Government and UN Treaty Bodies as well as the Universal Periodic Review and the CEDAW reporting processes, which Azerbaijan underwent in 2013, (iii) recommendations generated by the post-2015 national consultations, and (iv) broad dialogue with national counterparts, development partners and other stakeholders, which sought to identify areas of development challenge where the United Nations had a relevant mandate and capacity as well as was better positioned (than others) to act.

In this context, development challenges in Azerbaijan include:

in this context, development challenges if				
Economic Causes	Socio-Cultural	Institutional and Governance	Environmental and	
	Causes	Causes	Geographic Causes	
High dependence on the	<ul><li>Weak</li></ul>	<ul> <li>A need for strengthened</li> </ul>	<ul> <li>Relatively poor</li> </ul>	
hydrocarbon sector, which	capacities	delivery at local level	infrastructure,	
is non-labour-intensive, and	and	<ul><li>Perceptions of</li></ul>	rural public	
reduced opportunities for	confidence,	mismanagement and poor	transportation,	
alternative sources of non-	and low	information sharing practices	and accessibility	
oil growth	socio-	among public services	challenges	
<ul> <li>A need for strengthened</li> </ul>	economic	<ul> <li>Procedural bottlenecks and a</li> </ul>	<ul> <li>A need for</li> </ul>	
decent work opportunities	status, which	need for enhanced consistency in	strengthened and	
and appropriate functional	create	implementation of laws, policies	integrated water	
and technical skills, along	disparities	and programmes	management	
with a need for more	on	<ul> <li>A need for strengthened</li> </ul>	<ul> <li>Effects of</li> </ul>	
sufficient decent jobs to	numerous	budgetary allocations to essential	climate change,	
absorb newcomers to the	fronts,	social services	with increasing	
labour force	including	Underrepresentation of	areas prone to	
<ul> <li>A need for financial</li> </ul>	economic	women and vulnerable groups in	natural disasters	
market development to	resources,	the policy processes	such as drought	
enable local businesses to	human	<ul> <li>A need for strengthened and</li> </ul>	<ul> <li>Poor natural</li> </ul>	
access financial services,	developmen	reliable data disaggregated by	resource	
capital and credit	t, and	geographic location, gender,	endowments and	
<ul> <li>Income poverty itself,</li> </ul>	protection	disability and other factors	depletion of	
linked to the lack of		Specifically in education, a	natural resources,	
resources needed to invest		need to ensure that the	with a need for	
in improving education,		curriculum and pedagogy keep	strengthened	
employment, skills and		pace with global developments	agricultural	
health status and to		and that a vocational education	productivity and	
participate meaningfully in		training system can match skills	heightened food	
the broader community or		to labour market needs. Inclusive	security	
society		education policies particularly	<ul> <li>Inadequate</li> </ul>	
<ul> <li>A need to strengthen</li> </ul>		require development to ensure	modern	
market-oriented economic		the inclusion of vulnerable	agricultural	
and trade policies		children, including those	systems,	
<ul> <li>A need to mitigate the</li> </ul>		deprived of parental care and	technologies and	
effects of the manat		those with disabilities	techniques and a	
devaluation		<ul> <li>A need to strengthen health</li> </ul>	need for higher-	
<ul> <li>A need for strengthened</li> </ul>		services; insufficient water and	quality inputs	
and effective public-private		sanitation conditions; inadequate		
partnerships		understanding of the health		
<ul> <li>A need for strengthened</li> </ul>		needs of women, children from		
capacity to effectively		poor families, children with		
manage natural resources,		disabilities, and youth; and lack		
along with adverse		of awareness of good health		
environmental and climate		practices, as well as rising rates		
conditions, all of which		of non-communicable diseases		
lower agricultural output		<ul> <li>In social protection, a need to</li> </ul>		
<ul> <li>Massive displacement</li> </ul>		expand beyond a focus on cash		
that has put hundreds of		assistance toward enabling a		
thousands of people under		range of support services and		
major social stress and led		empowerment of vulnerable		
to critical resource		groups		
shortages				
			· <del></del>	

Exclusion and vulnerability rarely occur in a single dimension. Social, cultural, economic, political and geographic factors all interact and intersect to create and reinforce different

forms of both. Resources will be channeled into programmes that will reach and benefit the most vulnerable in Azerbaijan to ensure that economic growth and human development in the country are ever more inclusive.

The overall Strategic Areas stemming from the Country Analysis are:

- Promoting Sustainable and Inclusive Economic Development Underpinned by Increased Diversification and Decent Work
- Strengthening Institutional Capacities and Effective Public and Social Services
- Improving Environmental Management and Resilience to Hazards and Disasters

Within these priorities, cross-cutting issues of <u>a human rights-based approach</u>; <u>gender equality</u>; <u>youth</u>; <u>specific capacity development for monitoring and evaluation</u> (e.g., institutional, technical, managerial); and <u>improving the overall evidence base</u> will all be present. In particular, the Azerbaijan Country Analysis underscored the fact that the provisions of gender equality are critical for sustainable development processes and recommended that efforts should be intensified to close de facto gender gaps.

The potential for long-term impact on national goals and priorities has been paramount in determining the selection of common issues, as has impact on achievement of the post-2015 development agenda. Opportunities to strengthen both national capacities and international cooperation, and to build on lessons learned during the current UNDAF cycle – particularly including the need for a more strategic focus – have likewise been key criteria in the selection.

Well-targeted social assistance programmes had large multiplier effects creating additional opportunities for people and playing an extremely important contribution to poverty reduction. To provide forward-looking recommendations and strengthen programming in the social development sector, a theory of change approach (to communicate, to learn and to be held accountable) will be used, seeking to explore the connections between programmatic activities, immediate outcomes and higher processes of social change.

The United Nations System will pursue a catalytic role in helping the Government to address the economic, social, environmental, and cultural determinants of health and overall well-being through strengthening governance, institutions, human capital development and management capacity at national and local levels.

Building on these solid foundations, the UNAPF provides an ambitious benchmark for success over the next five years.

## Strategic Priority Area 1: Promoting Sustainable and Inclusive Economic Development Underpinned by Increased Diversification and Decent Work

Vision 2020 goals: Towards a highly competitive economy; balanced development of regions; development of human capital; ensuring transition to an information society

Outcome 1.1: By 2020, the Azerbaijan economy is more diversified and generates enhanced sustainable growth and decent work, particularly for youth, women, people with disabilities, and other vulnerable groups

While economic growth is critically important for Azerbaijan, it is the pattern of such growth that will determine its sustainability and its promotion of longer-term development. In particular, industrial diversification and growth must be based on a sustainable and inclusive footing. Improving standards of living for all remains a major challenge, yet the wider the distribution of the fruits of development and service delivery, the greater will be the likelihood of Azerbaijan's smooth transition to inclusive, equitable and sustainable development.

To materialize this, Azerbaijan must, over the medium to long term, reorient and adapt its growth strategies away from a carbon-fueled-consumption and construction-driven model, with widespread semi-subsistence agriculture. Instead, it must move toward an investment-based economy with high-productive, more market-oriented approaches and competition and attention to the SME development, while simultaneously recognizing the very real need to improve climatic adaptive capacity, especially in the agricultural sector.

The United Nations System offers comparative advantages in a wide range of economic areas, encompassing elements of inclusive and sustainable growth that is both pro-poor and employment-driven. It will accord strong emphasis to youth, women and persons with disabilities – particularly those in rural areas – as priority target groups, given their relative disadvantages in the economy.

To increase the impact of development cooperation activities and international aid for inclusive and sustainable development as well as to leverage various flows of resources, such as knowledge, information, new technologies and innovation transfers, and finance, from a range of development actors, including the public and private sectors, international organizations and development financial institutions, the United Nations System will support the development of new innovative partnership approaches, given that collective actions of multiple stakeholders are needed to pursue a transformation to sustainable societies and to finance such comprehensive and complex development processes.

The United Nations will focus on developing human capital as a necessary pre-requisite for a diversified, competitive and knowledge-based economy. Through its work the UN will ensure that most vulnerable sections of the workforce, including young people, women and persons with disabilities, have access to skills and resources matching labour market

demand. To this end, UN will support national institutions in designing and rolling-out new vocational education programmes and start-up businesses in the non-oil sector, e.g. ICT. The United Nations will build on the existing partnerships with national institutions and help them develop and scale-up innovative models, approaches and tools to enable a transformational shift towards more inclusive and productive employment. Experiences gained from implementation of these interventions are expected to bring important institutional knowledge, lessons learned and models which may be replicated to cover more people in other parts of the country.

The United Nations will target relatively economically disadvantaged geographic areas and will seek to remove obstacles to equitable regional development. This will be done through support to upgrade and extension of the ICT infrastructure into rural areas, and assisting the people in using these new opportunities as a source of new jobs.

To address the key issues outlined in Section I, the United Nations System particularly offers its rich experience in such areas as enhancement of higher educational curricula and research in fields related to innovation, technology and science of non-oil industries. Capacity development for civil servants and business associations also will be aimed at supporting competitiveness, innovative policies and strengthened public-private partnerships as well as the development of innovative partnership approaches. To this end, the United Nations System, in cooperation with the UN Economic Commission for Europe (UNECE), will undertake an innovation performance review and develop recommendations on innovation policy and various mechanisms and instruments of public support for innovations, including public-private partnerships, using the international standards, which are being designed by UNECE to primarily assist government and the targeted users to recommend the best innovative models in various sectors (e.g. water and sanitation, health, roads, renewable energy, education, ICT, etc.).

In addition, the United Nations System can specifically support rural livelihoods through the development of organic agriculture and strengthening of the livestock development value chain, while also piloting conservation agriculture practices (raised-bed planting systems, laser-assisted land levelling) to improve and diversify crop production and management.

The United Nations has specific expertise in improving the business environment, in particular, in developing both "hard" and "soft" infrastructure as prerequisites to high levels of economic activity and, economic diversification; supporting private sector involvement, innovation, vocational education and training, knowledge generation and sharing; and investment attraction, industrial modernization and competitiveness. In turn, these are critical to support job creation, stability and social inclusion.

Overall, the United Nations System can help to strengthen national capacities for improved compliance with trade and trade-related international standards and development of quality infrastructure, with an emphasis on enhancing the export capacity, productivity and competitiveness, in the context of the World Trade Organization (WTO) accession process.

Regional integration efforts within the framework of South-South cooperation by undertaking an assessment of regulatory and procedural barriers to trade in goods will be implemented upon request from the Government, using UNECE survey-based evaluation methodology. The assessment will reveal regulatory and procedural barriers to trade, and provide practical, action-oriented recommendations for addressing them. The recommendations are based on intensive consultations with national stakeholders and build on UNECE recommendations, standards and guidelines in the areas of trade facilitation and regulatory cooperation. The recommendations address immediate and long-term needs, thereby enabling governments to ground reforms in a holistic, time-bound strategy, which treats the different aspects of the reform effort within the context of a systems approach and spreads implementation across several years. <sup>11</sup>

Further, support will be offered to increased efficiency in and coordination among State agencies in collecting, analyzing, processing and using information about labour migration, recruitment facilitation, and job market demand and supply. In turn, strengthening of eservices and increased capacity in the State Migration Service are expected to result in better and faster services to migrants, particularly migrant workers, as well as to employers and the general population. Particular focus will be given to enhanced channeling of remittances to income-generating activities and community development initiatives.

All this is expected to benefit workers and job seekers newly entering the labour market, who will potentially gain access to better-quality market-driven, certified training, including vocational, and employment services. A social dialogue will be playing a critical role in preparing and implementing the labour and social security policy in Azerbaijan. A tripartite cooperation between the Government and the workers' and employers' organizations will seek solutions to the issues of common concern.

Enterprises also will benefit, through the increased supply of skilled workers who will support their efforts in improving productivity and competitiveness. At the policy level, technical experts supplied by the United Nations System can support Government staff in their capacity to provide appropriate qualification standards and guidelines, develop curricula that ensure quality, promote diploma and qualification recognition.

The UNAPF support will be provided by UN Agencies working individually, or through thematic collaboration, to strengthen the interlinked health and economic performances through the national policies and programmes aimed to create enabling environment for delivering improved services, as part of the implementation of 'Vision 2020' and 'Health 2020' policy. The Government will continue its efforts to stimulate active participation of people in the social insurance system. UN Agencies involved in sustainable economic and social development can promote a life course approach, bringing together public service

<sup>&</sup>lt;sup>11</sup> UNECE evaluation methodology and studies are available at: <a href="http://www.unece.org/tradewelcome/studies-on-procedural-and-regulatory-barriers-to-trade.html">http://www.unece.org/tradewelcome/studies-on-procedural-and-regulatory-barriers-to-trade.html</a>

agencies working across portfolio boundaries, to achieve a shared goal and an integrated response to particular issues.

Specifically with regard to youth and employment, the United Nations System will offer collective experience in promoting enhanced national capacities to develop strategies for decent work for youth. It can support the improvement and enforcement of rights at work for youth and the implementation of employment and skills development programmes, including vocational education and training (VET), to ease the transition of disadvantaged youth to decent work.

Specific support will be given to strengthening institutions, legal frameworks and skills to better understand, design and implement increased participation by, and achieve greater economic productivity of, young persons with disabilities. Likewise, the United Nations System can support institutional reforms for an enabling environment conducive to youth entrepreneurship, including access to markets, finance and other resources. Strengthening of mechanisms for promoting youth entrepreneurship will be a priority to ensure a gender-responsive approach in private sector development.

## Strategic Priority Area 2: Strengthening Institutional Capacities and Effective Public and Social Services

Vision 2020 goals: Improvement of legislation and strengthening of institutional potential; development of human capital and provision of an effective social security system; balanced development of regions; development of civil society; ensuring transition to an information society; protection and effective management of cultural heritage

Outcome 2.1: By 2020, Azerbaijan has enhanced institutional capacities for transparent, evidence-based and gender-responsive policy formulation and implementation

Outcome 2.2: By 2020, Azerbaijan has made progress in line with international human rights mechanisms, including the Universal Periodic Review, and other treaty obligations, and has strengthened capacities for implementation, monitoring and reporting aligned with international standards

Outcome 2.3: By 2020, quality public and social services are accessible to all and help achieve more socially inclusive and equitable development results

Key national strategies and policies point to the centrality of effective institutional public service capacities, at both central and local levels, to sustain Azerbaijan's development gains. While progress in such capacities has been noted in recent years, in solidifying more effective and accountable governance and achieving progress on the rights agenda, the Government and the United Nations System recognize the importance of effective and accountable public and social services.

The United Nations System is committed to building partnerships in existing structures that can clarify roles and responsibilities for more effective development policies, decision making and service delivery. Through institutional capacity development, the UN will particularly seek to assist in creating social cohesion, including supporting efforts to ensure this between the Government and the people. Enhanced systems of local governance respecting rights-based approaches can also significantly reinforce local participation in decision-making processes.

Meanwhile, civil society is an indispensable partner for achieving national development goals, with non-governmental organizations (NGOs) operating countrywide to convey the voice of the public and specific segments of society through peaceful social dialogue and play an important role in service delivery. Increasingly vocal and social media-savvy youth are now engaged in greater public participation and debates over the future goals and priorities of development. To respond to these trends and create an enabling environment, continued measures are needed.

In particular, United Nations Agencies will offer complementary capacity development responses that may involve, for example, support to:

- (i) Establish and maintain systems and platforms that will ensure timely, quality social support services including health, education, and social protection for vulnerable children and their families, including accessible/affordable and multi-disciplinary services for those children who are without parental care, or at risk of being separated from families; children with disabilities who are in need of extra support, psychosocial, rehabilitation and medical services; and children who are living in State care institutions or need foster/kinship care, or family support/services, which will protect them from all types of neglect, abuse, violence and exploitation
- (ii) Assist to implement the activities related to the international Live Birth Definition (LBD) standard, which has been recently adopted by the Government of Azerbaijan; to build capacities of medical educational institutions to incorporate new standard of LBD and death registration, as well as treatment and care for babies with low birth weight
- (iii) Engage key stakeholders to identify and implement evidence-based strategies and programmes (e.g., to implement a comprehensive system of drug dependence treatment and rehabilitation that is science- and human rights-based)
- (iv) Enhance social, educational and cultural policies to address the specific needs and rights of children and adolescents, as well as cutting-edge analysis on population dynamics and sexual/reproductive health
- (v) Strengthen policy/legal capacities and technical modernization for effective migration and border management

Other areas will include strengthened capacities of the criminal justice system and the legal system in the fight against terrorism, in accordance with international legal instruments; support to effective East-East/South-South learning solutions; and development of educational and informative broadcasting programmes that enhance transparency in political processes.

The overall intent will be to build public sector capacities for effective and efficient public administration and create a platform of qualified national human resources for sustainable development to eventually be achieved beyond the period of the UNAPF cycle, given that capacity development is a long-term process. A systematic, results-based approach to measuring positive changes in capacity development will help achieve more clarity with regard to the advances made. The UNAPF strengthens public sector capacities for effective and efficient public administration in the long run, becoming more important for all UN programmes to ensure that the analysis of capacity development needs is conducted more systematically, that capacity transfers take place in an integrated manner and are well-coordinated among UN agencies, particularly those working with the same government agencies, and making sure that exit strategies are fully embedded in all programmes.

Particular attention will be given to further developing the capacity of the Government in collecting quality disaggregated and data to fill specific data gaps, analyzing these through a more unified database, and further promoting evidence-based policy decisions as crucial for making development plans effective. This will be especially critical, given the disparities found across the country despite its middle-income status. The United Nations System can particularly highlight support for addressing data gaps that will lead to better implementation of United Nations programming principles, including a human rights-based approach (improved data on vulnerable groups), gender equality principles (sex disaggregation) and environmental sustainability (data on climate change and disaster risk and resilience). It also can help to focus on analytical reviews "beyond data" to better identify unmet needs among certain types of beneficiaries.

An important opportunity exists for the United Nations System to build capacity for a human rights-based approach to development, specifically empowering women, youth, children and vulnerable groups, such as IDPs, refugees, and persons with disabilities. It is uniquely placed to offer substantive support in implementation, reporting and monitoring of Azerbaijan's important obligations under a range of international Conventions, treaties and agreements. As such, this will complement the Government's constitutional and international commitments to promote, protect and fulfil human rights, with a focus on building knowledge, capacities and skills to ensure a solid understanding and implementation of human rights standards and the mechanisms to protect them.

United Nations Agencies are particularly committed to ensure that UNAPF results contribute to national gender equality goals and commitments, with both a focus on integrated actions in programming to address gender gaps and particular attention to strengthening interministerial or multi-sectoral coordination of policies and programming in the areas of gender. This is based not only on national goals, but also on the United Nations Charter, the Millennium Declaration, the QCPR, the 2005 World Summit, the Beijing Platform for Action, and the Platform for Action of the International Conference for Population and Development, as well as on women's human rights outlined in CEDAW and other international human rights treaties to which the Republic of Azerbaijan is a party. In this regard, the United Nations System will foster more effective and sustainable partnerships with development partners to advance and monitor commitments to gender equality and women's empowerment, while also documenting good practices in achieving these goals.

In addition, United Nations Agencies will offer international expertise in improving the legal and evidence-based policy frameworks aimed at protection of women's human rights. The United Nations System will focus on such areas as promoting decent work for women; and building women's access to and control over productive assets. In addition, UN Agencies will address issues of promoting education and skills for women and girls, facilitating their participation in cultural and creative sectors; reducing maternal mortality and ensuring women's sexual and reproductive health and rights; and enhancing women's voice,

leadership and participation so as to strengthen their influence in public and private decision making.

Lastly, attainment of the highest standards of social protection, education, health and nutrition services is a basic right and requires further strengthening in Azerbaijan to ensure a smooth transition to overall and inclusive sustainable development. Although many of Azerbaijan's key human development indicators have improved, as noted in Section I, some disparities remain. For improved social inclusion and equity, interlinked challenges will need to be addressed, including access, availability, quality and administrative issues. The United Nations System's comparative advantages lie largely in its core mandate of basic social services, complemented by extensive experience in sustainable socio-economic development; its commitment to support the Government in achieving national goals; its strong access to global expertise and international best practices; and its relationship of trust with relevant Ministries.

Sustainability of the achieved results continues to be the priority, along with socio-economic progress. The focus of capacity development efforts will be shifted on broader institutional and enabling environment needs – informed by capacity assessments – to create longer-lasting impact at the country level. Numerous rights and empowerment issues also will be addressed.

The focus of the United Nations System will be on support to the Government in sustaining already-achieved positive results in the social sector as a whole, while addressing remaining disparities through putting evidence-based policymaking into practice and ensuring access to services for women, youth, children and vulnerable groups such as IDPs, refugees, elderly, people with disabilities, and victims of trafficking. For example, this will require efforts to further promote youth participation and empowerment; to provide a special focus to the review and adjustment of legislation, education and public attitudes to ensure mainstreaming of education for children with disabilities; and to expand coverage of the provision of preschool education.

It also will help to strengthen national mechanisms for independent monitoring of overall child rights, in compliance with the Convention on the Rights of the Child. In turn, this can help to: (1) Support enhanced participation in public life by children and adolescents, including through the provision of inclusive, accessible and relevant services in newly transformed youth hubs; (2) Increase the number of the child and family support centres and build their capacity; (3) Support the institutionalization of rights of juveniles who are in conflict and contact with law; (4) Support the introduction of a migrants' rights curriculum within the Justice Academy of the Ministry of Justice, for judges, candidate judges and prosecutors; (5) Promote the implementation of ICPD Beyond 2014, with a focus on reproductive choice of women, child spacing, and prevention of early marriages and gender-biased sex selections; and (6) Support the national response to NCDs, including the implementation of the National NCD Strategy, based on the Global NCD Action Plan, and the

Framework Convention on Tobacco Control, by ensuring a rights- and gender-based approach with multi-sectoral engagement from non-health-related sectors.

Taking into account that more emphasis of the United Nations System's approach will be given to the policy dialogue and advocacy, the focus on capacity development for service delivery would lead to phased/planned exit strategies, thus ensuring full accountability of the Government to delivering public services, while, on the other hand, ensuring that the United Nation's role, as capacity developer, is adequately focused and relevant. In this context, the capacity development efforts related to policy implementation would be an important area of work for the UN System and this aspect will be strengthened through the Country Programme Documents of the respective UN Agencies.

# Strategic Priority Area 3: Improving Environmental Management and Resilience to Hazards and Disasters

Vision 2020 goals: Environmental protection and ecological issues; improvement of legislation and strengthening of institutional potential; development of human capital

Outcome 3.1: By 2020, sustainable development policies and legislation are in place, are better implemented and coordinated in compliance with multilateral environmental agreements, recognize social and health linkages, and address issues of environment and natural resource management, energy efficiency and renewable energy, climate change, and resilience to hazards and disasters

To address the key issues outlined in Section I, the United Nations System will prioritize strengthening populations' resilience to environmental and hazards/disaster risks as well as to climate change. This will include a focus on improving the effectiveness of relevant institutions for sustainable management of natural resources, including forests, water, land and biodiversity. Moreover, energy and climate change are central to sustainable development efforts, affecting all aspects -- social, economic, and environmental -- including livelihoods, access to water, agricultural productivity, health, population levels, education, and gender-related issues. Rapidly increasing energy demand in Azerbaijan calls for accelerated efforts to develop renewable energy sources and enhanced energy efficiency.

The United Nations System will particularly provide support to the Government to develop a more integrated approach to the poverty-environment link, which is expected to strengthen the resilience on the environmental, social and economic fronts.

In all, this will aim at sustaining and improving local service delivery and at ensuring that rural communities in particular strengthen their resilience and opportunities for recovery from environmental, social and economic shocks alike. In this regard, the United Nations System will work to support the reduction of risk to public health and the environment from pesticides, including the safeguarding and environmentally sound disposal of stockpiles. It will support an increase in the proportion of farmers using more profitable and environmentally sustainable cropping patterns as well as the amount of farmland irrigated and drained efficiently. It also will support the development of a pasture law and forest restoration work that will ensure sustainable utilization of natural resources, particularly benefiting smallholders. Promotion of intangible cultural heritage conservation also will be emphasized through the national education system as well as protection of trans-boundary cultural and natural heritage, as appropriate, through cooperative measures in line with the Constitution and international law.

Drawing on its global experiences, the United Nations System can support the clean energy aspirations of Azerbaijan, building on the work of the UN Sustainable Energy for All initiative launched in 2012 as well as on models from the United Nations' large-scale programming on

energy efficiency and renewable energy around the world. The United Nations System will support the shift to a more resource-efficient, cleaner and environmentally sustainable development model, engaging its global experience in this area and facilitating best models for policies, institutions and technologies. Specifically, UNECE will assist the Government to develop a national action plan for sustainable energy, based on the best international practices.

Several UN Agencies (e.g. UNDP, WHO, UNEP, UNICEF, etc.), in close cooperation with their government counterparts from the Ministry of Economy, Ministry of Health, Ministry of Ecology and Natural Resources, the Ministry of Agriculture, and the State Agency for Alternative and Renewable Energy Sources will expand inter-disciplinary and inter-sectoral collaboration to work more closely to reduce effects of passive smoking, indoor and outdoor air pollution, implications of climate change by adopting national environmental and health policies and endorsing international law (e.g. WHO Framework Convention on Tobacco Control) as well as the use of alternative and renewable energy sources, respectively.

Lastly, the United Nations System will work to strengthen the capacities of national statistical agencies and environmental institutions in: (1) Producing and sharing environmental indicators in line with international practices; (2) Preparing sound evidence-based environmental assessments based on indicator analysis, and (3) Strengthening the national capacity of districts to develop accountability systems for sustainable forest management. It will also support national policy dialogues on integrated water resources management under the EU Water Initiative.

# **III. Estimated Resource Requirements**

The estimated financial resources for each UNAPF Outcome are presented in the UNAPF Results and Resources Framework in Annex 1. These contributions include "hard" resource allocations by each participating United Nations Agency as well as "soft" commitments and unknown other resources that organizations expect to mobilize during the UNAPF cycle.

The figures, while presented as targets, are as accurate as possible at the time of the UNAPF drafting; some commitments will not be known until after the drafting is complete. Resource targets will continue to be updated and confirmed in Agency programme documents and work plans, according to the procedures and approval mechanisms of each Agency. Resource requirements also will be reviewed and updated annually to reflect the different cycles of specialized and non-resident Agencies. In order to achieve the expected outcomes, the United Nations System will provide sound technical support and cutting-edge policy advisory services as well as limited financial resources to supplement those availed by the Government and other partners.

The UNAPF Resources Framework is developed with the realization that the role of the UN in Azerbaijan has evolved from one of providing development assistance to one of partnership. The resource envelope for the implementation of the UNAPF during 2016-2020 is estimated at US\$71,840,500, out of which the United Nations will provide an estimated US\$31,910,000 from its own available resources. The anticipated resources to be support of UNAPF outcomes are estimated at **US\$39,930,500**. About US\$18,300,000 will be spent under Strategic Priority Area 1 (Promoting Sustainable and Inclusive Economic Development Underpinned by Increased Diversification and Decent Work); US\$36,774,500 - under Strategic Priority Area 2 (Strengthening Institutional Capacities and Effective Public and Social Services); and US\$16,766,000 - under Strategic Priority Area 3 (Improving Environmental Management and Resilience to Hazards and Disasters). This reflects both national development priorities as well as provides for aligning United Nations System cooperation with overall development assistance. The UNAPF also is expected to benefit from substantial technical support from various Regional Offices of the United Nations System.

# **Estimate of Resources**

Strategic Priority Areas	UN Agency	Available (US\$)	Resource Mobilization Targets (US\$)
Area 1: Promoting Sustainable and Inclusive Economic Development Underpinned by Increased Diversification and Decent Work	UNDP FAO UNIDO UNCTAD UNECE UNESCO ILO	300,000 13,500,000	3,000,000 - 600,000 400,000 200,000 150,000
Area 2: Strengthening Institutional Capacities and Effective Public and Social Services	UNDP UNICEF UNFPA OHCHR WHO IOM UNESCO	400,000 11,925,000 1,000,000 100,000	12,000,000 8,109,000 1,000,000 - 700,000 1,280,000 260,000
Area 3: Improving Environmental Management and Resilience to Hazards and Disasters	UNDP UNICEF UNECE UNIDO UNEP IOM UNESCO	500,000 1,475,000 60,000 2,600,000 50,000	10,000,000 901,000 400,000 - 450,000 280,000 50,000
Total:		31,910,000	39,930,500

In addition, **UNHCR** will cooperate with the Government of Azerbaijan to strengthen the national asylum system. It will seek an amendment to the current refugee legislation to establish a subsidiary protection mechanism. UNHCR will advocate for the protection of IDP rights and provide targeted subsistence, health, education and legal aid assistance to vulnerable persons of concern pending full inclusion in Government programmes, and will support the Government's commitment to identify the scope of statelessness in the country and offer assistance to establish a statelessness determination procedure.

The World Bank Group (WBG) programme will be implemented under a new Country Partnership Framework (CPF) for Azerbaijan for 2016 – 2020, which has been discussed by the Board of Directors in July 2015. The CPF is designed to support the country on its path toward a sustainable, inclusive and private sector-led growth underpinned by a diversified asset base. It is aligned with Azerbaijan's strategic goals as laid out in the country's development strategy – 'Azerbaijan 2020: Vision for the Future' Development Concept - that aims at reducing Azerbaijan's dependence on oil and gas revenues and strengthening its resilience to external shocks through investments into diversified human capital, physical infrastructure and stronger institutions. The CPF will help to ensure that the remarkable

progress made by Azerbaijan in eliminating extreme poverty and boosting shared prosperity is well sustained. Specifically, the programme will contribute to: (i) **strengthening governance** through better management of public resources, delivery of services, and institutions, including a more transparent and rules-based relationship between the public and the private sectors; (ii) **improving connectivity** through developing the country's main transport networks, auxiliary infrastructure and broadband coverage as well as enhanced practices for operation and maintenance; and (iii) **developing the country's human capital** through better access to water and sanitation, improved quality of the environment, and other health infrastructure and services, that have proven impact on health and social welfare outcomes. As such, the CPF results are grouped around two focus areas aiming at improved *Public Sector Management and Service Delivery*, and enhanced *Economic Competitiveness*. The CPF objectives will be achieved through a number of ongoing and new interventions in areas where strong implementation capacity and government ownership is already in place. New operations are likely to be in the areas of improved connectivity, access to public services and environment.

The impact of the WBG programme will be maximized through a combination of IBRD and IFC investment and advisory services, and through leveraging resources of the country and other development partners. The advisory services and analytics (ASA), which the WBG plans to carry out under the CPF, will underpin the proposed lending programme as well as cater to the government's emerging needs. IFC's primary focus will be on supporting the economic competitiveness agenda of the CPF.

The IFAD Country Strategic Opportunities Programme (COSOP) for the Republic of Azerbaijan was approved in 2010, updated in 2014, and extended until 2020 to fully align with Vision 2020 and 'Strategy for the Development of Agro-Industrial Complex in the Republic of Azerbaijan' - the two main documents providing policy directions in terms of economic diversification, inclusive growth, shared prosperity and rural development for the next six years. The COSOP pursues three strategic objectives that will guide the ongoing and future engagements pf IFAD in Azerbaijan: (1) Sustainable productivity increases, through enhanced natural resource management. To support the Government's ambition of economic diversification, IFAD will partner with key rural change agents to improve the access of poor rural people to assets and services for the sustainable management of natural resources, including improved irrigation-water delivery services and rangeland management; (2) Accessible and inclusive rural value chains, delivering quality products. Rural value chains are still mostly fragmented and weak, while a few strong ones are not conducive for smallholders. IFAD will work to make rural value chains more inclusive by offering smallholders various paths to become better equipped to commercialise and integrate in the markets. This will include better access to improved technologies, effective extension services and access to finance; and (3) Capacity and governance of key institutions for inclusive rural growth is improved.

Past experiences have shown the supremacy of governance and capacity in determining the outcomes of development partners interventions, IFAD included. This objective is an important contributor to the realisation of the other first two strategic objectives. IFAD, within the COSOP and jointly with the Government, will design and finance a **Livestock Productivity & Marketing Improvement Programme**, which aims to increase smallholder farmers' income from improved livestock production and marketing activities, with strengthened resilience to climate shocks.

The IFAD investment to the Programme is estimated at about US\$30 million.

# **IV. Implementation and Management Modalities**

In terms of governance structures, a high-level UNAPF Steering Committee<sup>12</sup> comprising senior Government officials, including members of the National Action Group for Vision 2020, as well as representatives of the United Nations System and key development partners, will provide strategic direction and oversight to implementation of the UNAPF. The Steering Committee will be co-chaired by the Minister of Economy and the United Nations Resident Coordinator, and will annually review progress against the UNAPF Results and Resources Framework and approve preparation of joint programmes.

The UN Country Team, under the leadership of the Resident Coordinator, will be responsible for the effectiveness of United Nations System development activities, especially in cases where resources may be combined. Encompassing Representatives of the United Nations Funds and Programmes, and other United Nations entities accredited to Azerbaijan, the UNCT will oversee the work of three inter-Agency UNAPF Result Groups (as described below), four UN Theme Groups (UN Gender Theme Group; UN Working Group on Human Rights; Joint UN Team on AIDS; and UN Communications Group), UNAPF Monitoring & Evaluation Group, and the Operations Management Team to be co-chaired by the Government and respective United Nations lead Agencies.

In the context of the development of the joint partnerships, UN agencies will review the potential support they can provide for continued agency-specific interventions in the respective areas. A number of agencies have already adjusted their country programmes to reflect the new partnership and others will be doing so in due course. The UNAPF Results Groups, UN Theme Groups and M&E Group will ensure that the UN Country Team is collaborating effectively on the priority issues and that they are well integrated into the overall work of the UN System in Azerbaijan.

The UN co-lead Agencies responsible for each UNAPF Strategic Priority Area will develop a respective *theory of change* for each outcome by 30 November 2015, mapping the implementation strategies and key interventions by the UN System that would contribute to the outcomes. The theory of change will feed into the Annual Work Plan of each UNAPF Results Group.

For each of the joint partnerships, United Nations Agencies to lead the Groups in subject will develop the ToR, annual work plans, and action plans with the results matrices, featuring a sufficient level of detail to ensure clarity on the deliverables expected from the United Nations and define a meaningful joint accountability. An adequate level of integration and synergy between joint partnerships, thematic collaboration and agency-specific work will be ensured by the annual joint overview of the UNAPF implementation, which will remain crucial to enhancing the overall effectiveness of the UN System in Azerbaijan and its impact.

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<sup>&</sup>lt;sup>12</sup> Terms of Reference for the high-level UNAPF Steering Committee are attached.

While it is positively acknowledged that outcomes and related indicators are at a strategic level and can only be achieved through the efforts of several UN Agencies and national partners, the UNAPF Results Groups' work plans will be critical to translate these high-level commitments into lower-level measurable outputs for which agencies will be held accountable.

The UNAPF Result Groups, comprising representatives of the Government and UN Agencies, will meet regularly and serve as the main mechanism for implementing the UNAPF. Critically, individual Results Group Work Plans will be developed, with clear goals and objectives, encouraging improved coordination, planning and decision making to be integrated into the UNCT Work Plan and Annual Report of the Resident Coordinator.

With support from the Ministry of Economy, the following UNAPF Result Groups were established to elaborate the respective strategic priorities:

- Results Group 1 will focus on promoting sustainable and inclusive economic development underpinned by increased diversification and decent work and will be co-chaired by the Ministry of Economy, the World Bank, and ILO.
- Results Group 2 will focus on promoting good governance through strengthening institutional capacities and effective public and social services and will be co-chaired by the Ministry of Labour and Social Protection of Population, UNDP, and UNICEF.
- Results Group 3 will focus on improving environmental management and resilience to hazards and disasters and will be co-chaired by the Ministry of Ecology and Natural Resources, UNDP, and FAO.

The UNAPF Results Groups will ensure timely completion and quality achievement of UNAPF results through a participatory process that involves colleagues across the UN System. The Groups will report and refer strategic decisions to the UNCT on a regular basis.

In addition, to reaffirm the principle of United Nations coherence across some of the cross-cutting themes, UNCT Theme Groups on gender, human rights, and AIDS will again serve as models for leveraging resources and coordinating the efforts of different Agencies.

Recognizing youth as agents of change and a need for social investments in young people, the UNCT Country Team supports empowerment and participation of young people and will further strengthen a dialogue with them, including the most disadvantaged and marginalized. Established on 1 June 2014, the United Nations Youth Advisory Council comprises 10 young people aged 16-27 who contributed to identifying and validating the UNAPF strategic priorities. The Council will be one of the sources to inform the UNCT on (1) identifying strategic opportunities and necessary actions to address emerging adolescent

and youth issues, and (2) increasing the level and quality of youth participation in planning, implementation and monitoring of the ongoing UN programmes in Azerbaijan. The mandate of the Council will be extended to serve as one of the partners to advocate mainstreaming of the youth agenda and a youth-responsive approach in the UN-Azerbaijan Partnership Framework.

Outside of the Strategic Priority Areas, innovative thematic working groups also may be established in other cross-cutting areas of potential strengthened collaboration, or joint programming, to serve as substantive discussion forums for the key UNAPF issues. Regional cooperation (within South-South Cooperation) will be supported and encouraged.

The Office of the UN Resident Coordinator will serve as a working-level UNAPF coordination mechanism and offer substantive support to tracking achievement of the Outcomes.

During the UNAPF cycle, the United Nations System in Azerbaijan will apply pillars of the **Delivering as One** concept, such as **One Leader** (an empowered Resident Coordinator and empowered UNCT), **Communicating as One**, and use of an **Operating as One** business model, which will include common procurement, IT services, human resources, and common premises. Annex 3 illustrates these commitments to further strengthen coherence and coordination through the Delivering as One modality.

# V. Monitoring and Evaluation Mechanisms

The United Nations System and the Government of Azerbaijan are committed to rigorously apply an evidence-based approach to monitor the progress of the UNAPF and will use key indicators, accompanied by baselines, targets and means of verification, that have been formulated for each UNAPF Outcome under the three Strategic Priority Areas. To the extent possible, monitoring of the UNAPF will be done using existing national performance monitoring tools and evidence-based data available from national sources. In addition, the monitoring process will be linked to, and will contribute to, the strengthening of national data and monitoring capacity as per Outcome 2.1.

The UNAPF Monitoring and Evaluation Group, co-chaired by the State Statistics Committee, and the World Bank and UNICEF, will provide UN inter-agency and intra-government technical assistance to sustain a robust and effective M&E system to support the Results Groups in monitoring implementation and progress toward each UNAPF Outcome, following an approach of managing for development results (MfDR). The Results and Resources Framework, encompassing a set of performance indicators with corresponding baselines, targets and means of verification, provides the basis for evidence-based assessment of progress toward results and final evaluation of the UNAPF.

A more elaborate UNAPF Monitoring and Evaluation Calendar will be developed to provide a tentative schedule of major M&E activities, including other initiatives to ensure robust monitoring and evaluation. Proxy indicators will be also used for evaluating relevance and added value of collective efforts for sustainable development. During the UNAPF implementation, the M&E Group, under the guidance of the high-level UNAPF Steering Committee, will enhance inter-Agency and inter-Government coordination and collaboration in monitoring and evaluation; identify synergies in data collection activities; and harmonize project and programme evaluations by Agencies, where feasible. The M&E Group also will provide evidence-based guidance on processes, tools and timing in undertaking UNAPF Annual Reviews, UNAPF progress reporting, and the final UNAPF Evaluation.

To enable both the Government and the United Nations System take advantage of new opportunities or adjust expectations in response to changes in the external environment, the high-level UNAPF Steering Committee each year will organize a Joint UNAPF Annual Review under agreed terms. The Results Groups will provide inputs, based not only on the status of the implementation of Agency-specific Annual Work Plans, but also building on and incorporating feedback from bilateral discussions between individual Agencies and their line Ministry counterparts. The capacities of the UN Theme Groups will be used for the thematic monitoring mechanisms. These procedures will nurture/improve the institutional culture of the evidence-based reporting as well as facilitate validation of best practices/lessons learned during UNAPF progress to assist in the preparation of new Annual Work Plans. The Annual Reviews also will provide important inputs for Annual Reports by individual United

Nations Agencies, the Resident Coordinator and donors, and will reflect on issues such as resource mobilization and aid effectiveness. In addition, UNAPF results and targets will be revisited periodically for continued relevance and alignment with *Vision 2020* and other national frameworks, such as at the midpoint of the five-year cycle.

A UNAPF Report will be produced on progress toward UNAPF Outcomes at least once during the cycle, drawing on available evidence of what the United Nations System has contributed toward these Outcomes. More than one Progress Report will be produced, if this adds value. Timing will be determined jointly by the United Nations System and the Government.

A detailed final evaluation of the UNAPF will be undertaken in the penultimate year of the UNAPF cycle. This evaluation will assess, in particular, the contribution made to national development priorities and goals; relevance of UNAPF Outcomes; effectiveness and efficiency by which results have been achieved; and sustainability of results. A particular focus will be on the extent to which the United Nations System has been able to effectively contribute to substantive strengthening national institutional and human capacities, as the heart of this UNAPF. As appropriate, the evaluation will inform the design of the next UNAPF and its ensuing Country Programmes and projects by individual Agencies.

**Annex 1: UNAPF Results and Resources Framework** 

		5	JNAPF Results Matrix 2016-2020	2016-2020		
Outcome	Indicators, Baselines,	Means of	Risks and Assumptions	Partners	Indicative Resources (USD) <sup>13</sup>	JSD) <sup>13</sup>
	l argets	Verification			Available	To be mobilized
Strategic Priority A	Strategic Priority Area 1: Promoting sustainable and inclusive		conomic development	economic development underpinned by increased diversification and decent work	versification and dec	ent work
Co-chairs: Ministr	Co-chairs: Ministry of Economy, the World Bank, and ILO	Bank, and ILO				
Outcome 1.1: By	Indicator 1		Risks:	Ministry of Economy	UNDP: 300,000	UNDP: 3,000,000
2020, the	GDP average annual		-Fiscal challenges	Ministry of Labour and	FAO: 13,500,000	UNIDO: 600,000
Azerbaijan	growth rate in non-oil	Ministry	posed by low oil prices	Social Protection of the		UNECE: 200,000
economy is more	sector	Fronomy	-Low non-oil sector	Population		UNCTAD: 400.000
diversified and		FCOIIOIIIA	growth because of	Ministry of Agriculture		11NESCO: 150 000
generates	Baseline: 7%		fiscal consolidation	Ministry of Communications		II O: 150 000
enhanced	<b>Target:</b> 7% <sup>14</sup>			and High Technologies		ILU: 130,000
sustainable growth			Assumptions:	Ministry of Energy		
and decent work,	Indicator 2		-Political will is in place	Ministry of Transport		
particularly for	Global Competitiveness		to initiate system-level	Ministry of Finance		
youth, women,	Index Score	World Economic	changes that would	Ministry of Taxes		
persons with		Forum	lead to the intended	Ministry of Foreign Affairs		
disabilities and	Baseline: 4.53 (2014)		impact	Ministry of Culture and		
other vulnerable	<b>Target:</b> 4.7 (2020)		-Partners in the	Tourism		
groups			Government and civil	Ministry of Youth and Sports		
	Indicator 3	Ministry of Labour	society are willing to	State Committee for Family,		
UNDP, UNFPA,	Unemployment rate	and Social	cooperate with the UN	Women and Children's		
UNICEF, ILO,	disaggregated by sex	Protection of the	system to deliver the	Affairs (SCFWCA)		
OHCHR, FAO, IFAD,	and age	Population	results, monitor	State Statistical Committee		
UNIDO,			progress and introduce	ANAMA		

<sup>13</sup> Budgets are indicative and may be subject to changes by the governing bodies of UN Agencies and by internal management decisions. Regular and other resources are exclusive of funding received in response to emergency appeals
<sup>14</sup> 'Azerbaijan: Vision 2020', p. 11

		UNDP: 12,000,000 UNICEF: 1,351,500 UNFPA: 400,000 UNESCO: 80,000
		UNDP: 400,000 UNICEF: 1,987,500 UNFPA: 400,000
Civil society UN Youth Advisory Council	d social services EF	Ministry of Economy Ministry of Labour and Social Protection of the Population Ministry of Education Ministry of Health Ministry of Justice Ministry of Justice Ministry of Justice Ministry of Foreign Affairs SCFWCA State Committee for Refugees and IDP's State Migration Service State Statistical Committee Ombudsman's Office Academia and research institutions Civil society National Confederation of Employers
corrective measures as required -After the UN technical assistance phases out, the effective exit strategies will be developed to continue the policy-level	and effective public and	Hisks: -Indicators and targets may be too ambitious and unattainable  Assumptions: -Political will is in place to initiate system-level changes that would lead to the intended impact -Partners in Government and civil society are willing to cooperate with the UN system to deliver the result, monitor progress and introduce corrective measures as required -After the UN technical
	titutional capacities otection of the Popu	State Statistical Committee UNDP
Baseline (2014): Population: 4.9% Males: 4.0% Females: 5.8% Youth (15-29): 9.7%  Target: Population: 4.9% Males: 4.0% Females: 5.7% Youth (15-29): 9.5%	Strategic Priority Area 2: Strengthening institutional capacities and effective public and social services Co-chairs: Ministry of Labour and Social Protection of the Population, UNDP, and UNICEF	Indicator 1  New sex-disaggregated indicators aimed at supporting the development of informed policies are incorporated into the national statistical databank  Baseline: 257 (2013)  Target: 280  Indicator 2  Human Development Index  Baseline: 0.747 (2013) <sup>16</sup> Target: 0.747
UNCTAD, UNECE, UNEP, UNESCO, WB	Strategic Priority / Co-chairs: Ministry	Outcome 2.1: By 2020, Azerbaijan has enhanced institutional capacities for transparent, evidence-based and gender- responsive policy formulation and implementation UNDP, UNHCR, OHCHR, WHO, ILO, UNODC, UNECE, WB, IOM

		UNICEF: 2,252,000 UNFPA: 350,000 IOM: 780,000 UNESCO: 80,000
		UNICEF: 3,312,500 UNFPA: 350,000 OHCHR: 100,000
Confederation of Trade Unions of Azerbaijan UN Youth Advisory Council		
assistance phases out, the Government is willing to continue the policy-level interventions and allocate resources to ensure sustainability of the results achieved.		
UNDP World Bank	UNDP	UN CT
Indicator 3 Gender Inequality Index Baseline: 0.340 (2013) <sup>17</sup> Target: 0.325 (2020) Indicator 4 Government effectiveness estimate effectiveness estimate	Target: -0.5 (2020) Indicator 5 Networked readiness index Baseline: 4.31 (2014) <sup>18</sup> Target: 4.7	Indicator 1  Number of the implemented recommendations issued by Human Rights Treaty Bodies
		Outcome 2.2: By 2020, Azerbaijan has made progress in line with international human rights mechanisms,

<sup>&</sup>lt;sup>15</sup> Risks and assumptions refer to all outcomes under Strategic Priority Area 2.

<sup>16</sup> Human Development Index (2013). <a href="http://hdr.undp.org/en/content/table-2-human-development-index-trends-1980-2013">http://hdr.undp.org/en/content/table-2-human-development-index-trends-1980-2013</a>

Gender Inequality Index, (2013). http://hdr.undp.org/en/content/table-4-gender-inequality-index

18 This target is based on the average rate of improvement that Azerbaijan shows. For comparison, 5 years ago, Azerbaijan's index value was equal to 3.75. In 5 years, it has improved by appx. 0.5 point. Hence, it is reasonable to expect at least 0.4 increased for the next 5 years. The index is produced annually by the World Economic Forum report on Technology.

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	UN CT		MO
s tred 013, (W 020	ssions nts nthe ons		orker sses e dards ing rity
ndation: uplemer 2012, CMW 2 CMW 2 3, CEDA dations ly ed by 2	submis nan Righ es from nt, civil anisatic	(2016) 5 17 17 8	eign word eign word the with the with the last and standing including tional or integers.
Baseline: Recommendations partially implemented under CRC 2012, UPR 2013, CMW 2013, CESCR 2013, CEDAW 2015 Target: 30% of recommendations substantially implemented by 2020	Indicator 2  Number of submissions to the Human Rights treaty bodies from the Government, civil society organisations and the UN agencies.	<u>Baseline:</u> 0 (2016) <u>Target:</u> TBD CEDAW 2017 UPR 2018 CRC 2018 CMW 2018	Existing foreign worker recruitment processes are in line with the international standards and norms, including the International Recruitment Integrity System (IRIS)
	Indi Nur to t tree Gov soci and	Bas Lar CEE UPF CRC CMC	Exis Exis rect are inte and the Rec Syst
including the Universal Periodic Review and other treaty obligations, and has strengthened capacities for implementation, monitoring and reporting aligned with international standards			
including the Universal Periodii Review and other treaty obligations and has strengthened capacities for implementation, monitoring and reporting aligned with internationa			
Included in the standard included included in the standard included inc			

	UNICE: 4,505,000 UNFPA: 250,000 WHO: 700,000 UNESCO: 100,000 IOM: 500,000			
	UNFPA: 6,625,000 UNFPA: 250,000			
	Ministry of Health	МНО	State Statistical Committee	UNFPA
Baseline: no Target: yes	Indicator 1 Mandatory health insurance introduced Baseline: No Target: Yes	Indicator 2 Premature mortality from NCD  Baseline: 21,583 Target: 20% reduction for age group 30 – 70	Indicator 3 Sex ratio at birth in the population  Baseline: 115.6 (2013) <sup>19</sup> Target: 110 (2020) <sup>20</sup>	Indicator 4 Contraception prevalence rate Baseline:
	Outcome 2.3: By 2020, quality public and social services are accessible to all and help achieve more socially	inclusive and equitable development results		

			la la			
	UNFPA		Ministry of Education State Statistical Committee			
Any method: 54.9% Modern method: 13.9% (DHS 2011)  Target: Any method: 65% modern method: 25% (DHS 2011)	Indicator 5 GBV (DV) prevalence rate	Baseline: 15% (2011) (National Report on VAW. 2011) Target: 10%	Indicator 6 Percentage of children covered by pre-school education programs.	Baseline: 13.3% (2014) Girls: 46.80%	BOys. 35.2% Urban: 19.2% Rural: 7.5% <sup>21</sup> Target: 30%	Girls: 50% Boys: 50% Urban: 35% Rural: 15%

<sup>&</sup>lt;sup>19</sup> State Statistical Committee 2014, Natural increase, births and deaths rate. www.stat.gov.az/source/demography/au/en/ch001\_3.xls <sup>20</sup> Christophe Z Guilmoto, (2011). Sex imbalances at birth Trends, consequences and policy implications <a href="https://www.unfpa.org/webdav/site/global/shared/documents/Guilmoto\_Revised presentation\_Hanoi\_Oct2011.pdf">https://www.unfpa.org/webdav/site/global/shared/documents/Guilmoto\_Revised presentation\_Hanoi\_Oct2011.pdf</a>

<sup>&</sup>lt;sup>21</sup> State Statistical Committee (2014), Education, Science and Culture in Azerbaijan. page 46 http://www.stat.gov.az/menu/6/statistical yearbooks/source/education\_2013.zip

Indicator 7	Ministry of		
Percentage of children	Education		
with disabilities			
involved in inclusive			
education.			
(c10c) /0c :oxilosod			
Cirls: 50% (2013)			
GILIS: 50%			
Boys: 50%			
<b>Target:</b> 30%			
Girls: 50%			
Boys: 50%			
0 1 1	1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -		
Indicator 8	Ministry of Labour		
Coverage of vulnerable	and Social		
groups (poor; families	Protection of the		
with children in difficult	Population		
life circumstances,			
children with			
disabilities or children			
deprived of parental			
care; elderly; refugees			
and IDPs and victims of			
trafficking) by social			
protection services			
i			
Baseline:			
Referral centre for			
victims of DV $-2$			
Coverage of children			
with disabilities with			
social services - 1300			
Percent of families			
receiving TSA – 6%			
(01.09.2014)			
# of family-based care			

vs	services tor					
<u>.=</u>	institutionalized					
3	children - 1					
	Number of social					
S	support services for					
<u> </u>	elderly population - 2					
	Target:					
<u>.</u>	Referral centre for					
	victims of DV – 5					
<u> </u>	Coverage of children					
	with disabilities with					
S	social services – 10,000					
17	20% reduction in					
	numbers of families					
	receiving TSA (target					
4	4.8%)					
	Number of family-					
	based care services for					
<u>.=</u>	institutionalized					
<u> </u>	children - 5					
	Number of social					
S	support services for					
Ψ.	elderly population - 4					
_	Indicator 9	Ministry of Health				
	יפמקרוסון ווו					
<u>.</u>	prevalence of current					
<u>+-</u>	tobacco use in persons					
	aged 15+ years.					
	Baseline: 1 725 141					
41 F	Target: 15% roduction					
-1	מוצבר. דס יים ובמתרנוסוו					
				-	-	

	Country Annual Reports to the Ozone Secretariat
Environmental Impact Assessment in a Trans- boundary Context (Espoo Convention) and its Protocol on Strategic Environmental Assessment (SEA)  Baseline: 0  Target: 3	Indicator 4 Phase out of HCFC to meet the Montreal Protocol obligations  Baseline: HCFCs consumption - 14.9 ODP tones Target: complete phase out of HCFC- 141b and HCFC-22

# <u>Annex 2</u>: Agency Contributions to UNAPF Strategic Priority Areas and Outcomes

<u>Strategic Priority Area 1:</u> Promoting sustainable and inclusive economic development underpinned by increased diversification and decent work

# Outcome

### 1.1: 2020, the Outcome By Azerbaijan economy is more diversified and generates enhanced sustainable growth and decent particularly for youth, women, people with disabilities and other vulnerable groups

# **Agency Contributions**

**FAO:** Strengthen capacity of pre-border plant quarantine points associated with inspection and diagnostic services, including capacity development in phyto-sanitary inspection and basic pest diagnostics, strategic planning and management, management of import regulatory system, and export certification. Support development of cattle breeding and artificial insemination services to improve livestock sector productivity and rural incomes. Support increased apiculture productivity to improve rural livelihoods. Support development of organic agriculture, including relevant institutional capacity development (inspection, certification, information dissemination) and development of a Policy Analysis Matrix. Pilot conservation agriculture practices (e.g., raised-bed planting system, laserassisted land leveling) to improve and diversify crop production and management.

**IFAD:** Focus on reduction of rural poverty in poorer rayons through increased food security and enhanced incomegenerating opportunities, particularly through strengthening of crop and livestock value chains and enhancing capacity of key actors in the value chains (Public, Private agents and Producers). Expected outcomes are Increased income and assets of poor rural households, more sustainable management of natural resources and enhanced resilience to climate change, production systems improved with sustainable links to markets and financial services are key outcomes. Output-level results include increases in volume, aggregate value and diversity of crops and dairy products produced and sold; number of outlets for agricultural/ livestock products in local markets; and proportion of farmers shifting to market-oriented fruit and vegetable varieties and using improved storage facilities.

**ILO**: Continue to support capacity building of the Public Employment Services and the ILO constituents in implementing Active Labour Market Programmes.

**IOM:** Promote positive synergies between migration and

development through mainstreaming migration into overall socio-economic and sectoral policies; address root causes of forced and irregular migration and maximize the positive contribution of the Azerbaijani diaspora communities to the country's development. Support to increased efficiency in and coordination among State agencies in collecting, analyzing, processing, and using information about labour migration and job market demand/supply. Support to better and faster services to migrants, particularly migrant workers, as well as to employers and the general population by State Migration Service, through improvement of e-services and increased capacity. Support to channeling of remittances to income- generating activities and community development initiatives increased through introduction of improved services and enhanced capacity of the Government, finance institutions and remittance recipient households. Support to make available to impoverished rural communities, IDPs, mine victims, women-headed households and migrants returned to Azerbaijan a variety of programmes and services aimed at reducing the poverty level by increasing incomes.

**UNCTAD:** Strengthen the national capacity for better compliance with the trade and trade-related international standards in the context of the World Trade Organization (WTO) accession process.

**UNDP:** Support the improvement of services to the unemployed, economic empowerment of women, youth and persons with disabilities, advocacy for investment in human capital, and policy advice on issues related to employment.

**UNECE**: Conduct an Innovation Performance Review in collaboration with the Government (tentatively from 2016 to 2017-18). Support competitiveness, innovative policies and public-private partnerships through capacity building for civil servants and business associations.

**UNESCO:** Enhance higher educational curricula and research in fields related to innovation, technologies and sciences of non-oil industries. Improvement of cultural/ecological infrastructure and preservation of cultural and natural heritage. Capacity building on the value of traditional forms of production and consumption in sustainable development. Promotion of gender equality in educational institutions and media. Decision-makers and community representatives trained for the promotion of equitable growth and enhancement of income in rural areas. Assist in the elaboration of culture-/health-/education-related policies on improving universal access to decent work, including vulnerable and marginalized groups.

**UNEP:** Following from the completed Green Economy Scoping Study, support to conducting sectorial Modeling Analyses for the green development path to enhance the

Government's capacity and accuracy in economic planning for increased resource and energy efficiency in meeting the 2020 development targets.

**UNHCR:** Support the Government in ensuring better access of refugees and IDPs to employment and income-generating opportunities. Assist IDPs and refugees in Baku and Sumgait in acquiring marketable skills through vocational training. Help refugees to become self-reliant by providing small-business startup grants.

**UNICEF:** Support to strengthen institutions, legal frameworks and skills to better understand, design and implement increased participation by, and achieve greater economic productivity of, young persons with disabilities.

**UNIDO:** In partnership with the Government support to economic diversification and development of the non-oil industrial sector, including small and medium-sized enterprises and establishment of industrial parks, science and technology parks, and free economic zones. Promotion of investments, innovation and technology transfer through a partnership approach; strengthening of quality infrastructure, including for the agro-industrial sectors such as food processing, wood, leather, textile and agro-machinery industries.

WHO: Will be providing technical and expert support to strengthen national public health capacities in order to achieve universal health coverage and address social determinants of health based on strategic EURO Health 2020 policy framework.

# Strategic Priority Area 2: Strengthening Institutional Capacities and Effective Public and Social Services

## **Outcome**

# Outcome 2.1: By 2020, Azerbaijan has enhanced institutional capacities for transparent, evidence-based and gender-responsive policy formulation and implementation

# **Agency Contributions**

**FAO:** Support to establishment of Livestock Producers and Artificial Inseminators Associations to improve livestock productivity, expansion of AI activities and provide technical, legal and materials support to the inseminators; strengthening of Beekeepers' Associations to provide effective training and support for all beekeepers. Capability and skills of farmers and local experts strengthened in developing locally adapted resource-saving, profitable and diversified crop productions, in modern bee management, breeding and artificial insemination in apiculture and livestock fields, in organic farming, pesticide and pasture management, etc.

**IFAD:** Support to establishment of Water User Associations (WUAs) with fully functioning governance bodies and adequate office facilities, which are financially stable and providing satisfactory operations and maintenance services to their members; training for WUA management and staff, and increased incomes for WUAs. Capacity development for farmers in farm business skills, horticulture, livestock husbandry, post-harvest handling, and market orientation, among others. Through a 4-Ps approach (Public-Private-Producer Partnerships), the aim is to build capacities of all the relevant actors to evolve into sustainable and profitable partnerships.

**ILO:** Continue to provide support to the institutional framework for the National Tripartite Social Dialogue.

IOM: Enhance national capacity for effective migration and border management through strengthened policy and legal capacity as well as improved organizational performance and efficiency, through technical modernization and upgrading of equipment. Support to strengthened institutional capacity in the State Migration Service and other institutions to further develop and implement migration policy and legislation. Enhance capacities of Government agencies to make optimal use of technical facilities. Support to bring border management systems and practices into further compliance with EU standards. Strengthen internal and external coordination of the Government in the areas of reduction of irregular migration. Support NGOs and press/media associations to demonstrate they can effectively utilize their potential and fulfil their role in combating trafficking in persons, as well as for planning, programming and advocacy. Support to refine national methodologies and tools to detect unauthorized employment and investigate related cases and to putting these into practice by relevant authorities.

**UNDP:** Support to formulation and implementation of the national e-governance policies. Promotion of ICT tools and innovative solutions for more effective functioning of public sector institutions. Capacity building of civil servants, and support to improvement of public service delivery. Efforts will be made to share Azerbaijan's experience in ICT for Development and e-governance with other developing countries.

**UNECE**: Enhance the capacity of Azerbaijan to collect, process and disseminate official statistics in all relevant domains, such as social, economic and environmental statistics), including the Sustainable Development Goals indicators, in accordance with the findings and recommendations of the 2011 Global Assessment Report on the National Statistical System in Azerbaijan.

**UNESCO:** Contribute to the enhancement of transparency in domestic politics through assistance in the shaping of national mass media with educational and informative broadcasting programmes. Capacity development of journalists on the importance of transparency. Capacity development of civil servants for the enhancement of a correct political culture. Engagement in the distribution of information through education on correct political conduct and support in the strengthening of civil society. Provide advisory services on the formulation of educational and cultural policies and attitudes directed at the promotion of gender equality. Support for the creation of dialogue between civil society and the political establishment.

**UNFPA:** Strengthen national institutional capacities to evidence-based advocacy conduct for incorporating adolescents/youth and their human rights/needs in national laws, policies, and programmes. Strengthen capacity of partners to design and implement comprehensive programmes to reach marginalized adolescent girls, including those at risk of child marriage. Strengthen national capacity for production and dissemination of quality disaggregated data on population and development issues. Increase availability of evidence through cutting-edge, indepth analysis on population dynamics sexual/reproductive health. Strengthen capacity for the formulation and implementation of human rights-based policies that integrate evidence on population dynamics and sexual/reproductive health and their links to sustainable development.

**UNHCR:** Enhance the capacity of the national asylum system

to provide effective protection through support to improve the quality of individual refugee status determination by the State Migration Service and ensuring of refugees' effective access to their rights and Government services. Assist in establishing a statelessness determination procedure and ensuring effective access to rights and accessibility of naturalization for the stateless.

**UNICEF:** Support establishment and maintenance statutory systems and platforms, represented both at national and local levels, that will ensure timeliness, quality and continuum of social support services for vulnerable children and their families. Support national and local government institutions in setting up and maintaining mechanisms that will identify, record, report, refer and intervene in the cases of children at risk to prevent any violence, abuse and exploitation. Work with Government and NGO partners to ensure quality, coverage, accessibility and affordability of social support services for vulnerable children and families. Support reform initiatives through leadership programmes and institutional capacity building. Strengthen youth and sectoral policies related to equitable services in health (including related to HIV), education and social protection to address the specific needs and rights of adolescents, especially those with fewer opportunities. Support establishment of evidence-gathering mechanisms/systems to inform youth policies.

**UNODC:** Strengthen capacity of the criminal justice system and its legal regime against terrorism, in accordance with international legal instruments related to suppression and prevention of international terrorism and the rule of law. Support to increased capacity of law enforcement agencies to combat illicit financial flows, particularly those related to cybercrime. Support to further strengthen national institutional capacities and inter-agency coordination in advancement of policies, legislation, institutional support and training on preventing and combatting criminal and illegal activities, organized crime, corruption and other related activities, including those of transnational character.

Outcome 2.2: By 2020, Azerbaijan has made progress in line with international human rights mechanisms, including the Universal Periodic Review other treaty obligations, and has strengthened national capacities for implementation, monitoring and reporting aligned with international standards

**IOM:** Support the interpretation and application of international and European human rights law and standards, through strengthening capacities of Government and non-Government organizations. Capacity development of State agencies on international and European human rights standards and conventions, including in practical application. Support to bring national legislation into further compliance with international and European norms. Support to institutionalize migrants' rights curriculum within the Justice Academy of the Ministry of Justice, for judges, candidate judges and prosecutors. Support to ensure access to justice of migrants and application of relevant national legislation in a fully transparent and uniform manner. Capacity

development of civil society for assisting migrants, as well as victims and potential victims of trafficking.

**OHCHR:** Support the Government to enhance the role of national civil society actors for greater engagement in United Nations human rights mechanisms. Support the Government in building capacity and awareness of national civil society institutions and other actors in advocating for implementation of recommendations of the UN Treaty Bodies, Support the Government to enhance awareness of civil society and other national actors to strengthen their interaction with the UN human rights mechanisms.

**UNESCO:** Support to international and multilateral cooperation by Azerbaijan in areas of UNESCO fields of work. Technical expertise and advice provided through capacity development and the distribution of information to the Ombudsman and introduction of human rights themes within the educational system of the country. Capacity building teachers for the strengthening of multiculturalism and international mobility. Advice for the improvement of normative foundations in regard to education and culture and assistance in the adaptation of Azerbaijan's systems to international standards. UNESCO also will act as an intermediary between the Government and several international institutions.

**UNFPA:** Strengthen national capacity for using data and evidence to monitor and evaluate national policies and programmes in the areas of population dynamics, sexual/ reproductive health and reproductive rights, adolescents/ youth, and gender equality, including in humanitarian settings. Support to increased national capacity to design and implement communityand school-based comprehensive sexuality education (CSE) programmes that promote human rights and gender equality. Strengthen international and national protection systems for advancing reproductive rights, promoting gender equality and nondiscrimination, and addressing gender-based violence.

**UNHCR:** Promote changes to the regulatory framework on asylum, statelessness and internal displacement to bring it into line with international and European regional standards.

**UNICEF:** Strengthen national mechanisms for independent monitoring of child rights and support participation of children and adolescents. Support Government to enhance and improve its annual internal child rights reporting mechanism. Support Government in transition to International Live Birth Definition. Support behaviour change and awareness-raising initiatives to garner greater understanding and support for endorsing child rights and implementing the provisions of UNCRC. Support to national

capacity development of UNICEF Government/non-Government/private sector partners to effectively plan, implement, manage and monitor communications/public promotion strategies/projects to better realize the right of children to survival and growth, development, protection and participation.

Outcome 2.3: By 2020, quality public and social services are accessible to all and help achieve more socially inclusive and equitable development results

**IFAD:** Improvements in number of settlements with access to clean drinking water, in water quality, and in village drinking water storage of upland villages of Sheki and Oghuz. Strengthening of proportion of farmland receiving sufficient irrigation water. Support the improvement of public facilities (markets and animal holdings) to promote safe and better hygiene standards.

**IOM:** Continue assisting Government in developing and strengthening social assistance services to persons involved in migration. Support to establishment of Assisted Voluntary Return of Migrants from Azerbaijan Programme, funded by the Government. Support to establishment of Migrant Assistance Unit within the State Migration Service, to provide information, legal counselling and referral assistance to those needing it. Institutional capacity development in the judiciary (judges, prosecutors and candidate judges), police, State Border Service and State Migration Service to interdict, investigate and prosecute crimes related to migrant smuggling and trafficking.

Regional Centre in Istanbul: As follow-up to the regional EU co-funded project, provide TA/support to legal service provider organizations for continued access to HIV-related legal services for those who need them the most, under the framework of the regional legal aid network established in September 2012. In collaboration with UNAIDS, World Bank and the Global Fund to Fight AIDS, Tuberculosis and Malaria, potentially conduct investment case study on sustainable financing of HIV response. Support the national response to NCDs under the leadership of WHO, including the implementation of the Framework Convention on Tobacco Control, by ensuring a rights- and gender-based approach with multi-sectoral engagement from non-health-related sectors (finance, trade, education, sports, environment).

**UNESCO:** National capacity building in the spheres of education, culture and health directed toward quality and equality, with a particular focus on women and vulnerable groups such as IDPs. Support to HIV awareness through school education and teacher training. Reduction of drug abuse through information campaigns implemented in cooperation with Government and civil society. Training of teachers on the promotion in primary schools of family/life skills so as to address major health issues, particularly in IDP communities. Intensive cooperation with the Ministry of

Education for the enhancement of inclusive gender programmes and the strengthening of the educational system with the introduction of alternative Early Childhood Care and Education models. Cooperation on specific projects, including the promotion of ICT use in schools and diffusion of knowledge on cultural and natural heritage.

**UNFPA:** Support to increased national capacity to deliver integrated sexual/reproductive health services. Support to increased national capacity to strengthen enabling environments, increase demand for and supply of modern contraceptives, and improve quality family planning services that are free of coercion, discrimination and violence. Support to increased national capacity to deliver comprehensive maternal health services. Support to increased national capacity to provide sexual and reproductive health services as well as prevent gender-based violence and harmful practices, and to enable the delivery of multi-sectoral services, including in humanitarian settings.

**UNHCR:** Ensure effective and equitable access of IDPs, refugees and stateless persons to social services.

UNICEF: Support to the Ministry of Education in the review and adjustment of the legislature, organization of education and public attitudes to ensure education institutions provide mainstream education for children with disabilities. Support to the Government to design and introduce a flexible formal and informal pre-school education system. Strengthen national and local-level mechanisms to create and maintain social support services focusing on prevention of children being separated from their families and family support. Support Government in continuing work with third parties in delivering effective social support services, which will need to focus on strengthening families and a family environment, where children will grow without fear of neglect and abuse. Work with various Government institutions to ensure phasing out from large-scale institutional care into familybased care as a core government strategy. Continue working with Government agencies to expand and improve social support services for children with disabilities that are based in the community and focus on the needs and potential of these children and their families. Support Government and NGO partners to ensure alternatives, better support and services available for juveniles in conflict with law, as well as children who are in contact with justice and administrative systems. Support Government to design programmes and services to better address the needs of street children, Roma children and children affected by human trafficking. Support Government to build and maintain an effective monitoring and evaluation system and strengthen institutional capacity for effective and efficient delivery of social support services that will target all vulnerable children, including those living in remote parts of the country. Strengthen national- and local-level mechanism to create and maintain social support services focusing on prevention and family support. Support adoption of policies and establishment of services on early detection/prevention of childhood disabilities and early interventions. Support adoption of policies and standards enabling food fortification as an effective mean to tackle iron deficiency anaemia. Support the revision of Infant and Young Child Feeding policies, norms and standards. Support policies and practices that specifically target the most marginalized groups of the population, such as children with disabilities, children from IDP/refugee families and remote localities, and strengthen practices that aim for the integration of these population groups. Support a systemic change to transform a network of existing and insufficiently utilized Youth Houses and Centers into youth hubs providing quality, inclusive, accessible and relevant services to all adolescents and youth, including those who are vulnerable. Support to policy reform to ensure that the need to receive a parental consent for applying for HIV testing and counselling is decreased from age 18 to 16, and thus strengthen the uptake of HIV testing and counselling services by adolescents. Support expansion of the model of youth participation in decision making (Azerbaijani Youth Advocate Programme/Youth Counselors) to all districts to increase opportunities for real youth participation and involvement in a range of community life, as well as to increase the quality of services for adolescents/youth. Support district-based Communications for Development models with regard to promotion and marketing of public and social services, including family support services, among claim holders, to address a number of practices/behaviours and social/cultural norms at family, community and district levels.

**UNODC:** Support to build the capacity of key stakeholders to identify and implement evidence-based drug prevention strategies, programmes and policies in the area of drug prevention, and to implement a comprehensive system of drug dependence treatment and rehabilitation that is science- and human rights-based and fully integrated into the health system.

WHO: WHO Regional Office will be further supporting implementation of national activities within NCD related programmes and based on Global NCD Action Plan recommendations. Will be providing technical and expert support to strengthen national public health capacities in order to achieve universal health coverage and address social determinants of health, based on strategic EURO Health 2020 policy framework.

# **Strategic Priority Area 3**: Improving Environment Management and Resilience to Hazards and Disasters

## **Outcome**

Outcome 3.1: By 2020, sustainable development policies and legislation are in place, better implemented and coordinated in compliance with multilateral environmental agreements, recognize social and health linkages, and address issues of environment and natural resource management, energy efficiency and renewable energy, climate change and resilience to hazards and disasters

# **Agency Contributions**

**FAO:** Support to reduction of risk to public health and the environment from pesticides, including safeguarding and environmentally sound disposal of stockpiles, review of national legislation/regulations, and development of national awareness strategy on hazardous pesticide risks. Support to rehabilitation and sustainable use of pastures and other natural resources, including support to development of Pasture Law. Technical support and capacity building for development of afforestation and forest restoration works, including forest nursery production, effective plantation techniques, and assessment of potential afforestation areas.

**IFAD:** Support to increasing the proportion of farmers using more profitable and environmentally sustainable cropping patterns, as well as the amount of farmland irrigated and drained efficiently. Provision of erosion control activities and piloting of amelioration of saline soils, as well as treatment for farmland tillage pan. Capacity development in natural resource management. Support to increase in area under vegetation cover in flood-sensitive areas, and in total area under protected production (plastic tunnels and greenhouses). Assistance to provision of soil analysis and meteorological data for farmers.

**IOM:** Support to enhance the capacities of key Ministries, local bodies, civil society organizations and communities for planning and implementation of disaster risk management, emergency response and early recovery. Support to the Government to mainstream disaster risk reduction, disaster preparedness and emergency response strategies into migration sectors, in compliance with the Migration Crisis Operational Framework. Support to strengthen mechanisms of inter-agency coordination and cooperation among relevant Government bodies and international and non-Government organizations. Support to enhance capacities of local Government bodies, communities and health facilities to identify, assess and monitor disaster risks and to scale up disaster preparedness and emergency response capabilities.

**UNDP:** Support to development of national policies, legislation and capacities in the areas of sustainable pasture and forest management; climate change mitigation and adaptation; ecosystem management; agro-biodiversity conservation; and reporting to the United Nations Framework Convention on Climate Change and Convention

on Biodiversity. Assistance also will be provided to flood management and clearance of mine-contaminated areas.

**UNIDO:** Assistance in creating a national resource-efficient and cleaner production centre to support industry on environmental audit and environmental management best practices, through the provision of training, exchange programmes and expert consultations; application of environmental standards (ISO 14001); municipal, industrial and toxic waste management best practices technologies; environmental security; and green technologies such as oil-polluted land cleaning technologies. Design and implementation of projects aimed at maximizing efficiency, productivity and sustainability of energy and resource use, taking into account international best available practices and technologies. Design and implementation of pilot projects on wind, solar, geothermal, biomass and biogas energy production, water and waste management in industry. Assistance in implementing Government commitments on the reduction of Persistent Organic Pollutants (POPs) under the Stockholm Convention and on phasing out of Ozone Depleting Substances under the Montreal Protocol.

**UNECE**: Strengthen capacities of national statistical agencies and environmental institutions in: (1) Producing and sharing environmental indicators in line with international practices; and (2) Preparing sound environmental assessments based on indicator analysis. Support national policy dialogues on integrated water resources management under the EU Water Initiative. Support trans-boundary water cooperation between Azerbaijan and Georgia.

**UNEP:** Support to increasing national capacities for the fulfillment of commitments under multilateral environment agreements (MEAs) and other international environmental treaties. Support to enhancing Azerbaijan's regional cooperation over shared natural resources.

**UNESCO:** Develop national capacity and enhance knowledge in sustainable production and resource management. Support for research in sciences directed at green economy development. Promote intangible cultural heritage conservation through the educational system and protection of trans-boundary cultural and natural heritage with the organization of regional seminars and trainings on the topic. Assist in sharing international cooperation with other Caspian Sea littoral countries in research and marine sciences areas. Provide technical expertise and training of civil servants on environment. Cooperate with the Ministry of Education to development curricula for primary and higher schools to strengthen awareness of climate issues and increase national expertise in this field.

**UNICEF:** Support to institutions and communities in Azerbaijan to improve their resilience to hazards and disasters via replication of DRR initiatives at scale, and to sustain the investments and progress already made in integrating DRR into education.

WHO: WHO Regional Office will continue support to national authorities in area of environmental health, disaster preparedness and response of health sector as well as preparation to mass gathering events. WHO will continue in this direction cooperation with key UN partners. WHO will be providing technical and expert support to strengthen national public health capacities in order to achieve universal health coverage and address environmental determinants of health, based on strategic EURO Health 2020 policy framework.

# Annex 3: Commitments of the United Nations System to *Delivering* as *One* in Azerbaijan

# **Background**

The United Nations is engaged in a continuous process of change and reform to strengthen its ability to meet new demands and deliver its vital services in the most effective and efficient ways. This means (1) constant emphasis on transparency, accountability, integrity, efficiency and flexibility, and (2) creating an environment in which improvement is expected and innovation is welcomed. The Member States make efforts to enhance the relevance, coherence and credibility of the UN system as a shared goal and interest, in accordance with the purposes and principles of the Charter of the United Nations. Through the Quadrennial Comprehensive Programme Review (QCPR) process, recent resolutions of the UN Economic and Social Council (ECOSOC), and the global and national consultations on the post-2015 development agenda, Member States confirmed their desire to see a strong UN development system, one that is relevant and ready to assist countries to deliver on their sustainable development priorities.

As part of the reform of the United Nations system, a High-Level Panel on System-Wide Coherence recommended a "Delivering as One" model in 2006. When the Secretary-General launched the initiative, the Governments of eight countries — Albania, Cape Verde, Mozambique, Pakistan, Rwanda, Tanzania, Uruguay, and Viet Nam — volunteered to become Delivering as One (DaO) pilots. The experience of the pilots has since inspired a number of countries to follow suit as self-starters.

A universal post-2015 sustainable development agenda also requires that the United Nations is more "fit for purpose" to support Member States at the country level to deliver the next generation of Sustainable Development Goals. Becoming "fit for purpose" requires the United Nations to accelerate efforts to work more coherently and cohesively so as to help Member States respond effectively to increasingly interlinked and complex development challenges.

# The UN-Azerbaijan Partnership Framework 2016-2020

The UN-Azerbaijan Partnership Framework provides an excellent opportunity for further achieving transformative development results through harmonization and alignment, and, most importantly, enhanced effectiveness, efficiency and strengthened partnerships. The new framework will serve as a means to enhance UN coherence in the spirit of Delivering as One in Azerbaijan to improve performance towards achieving measurable results and impact of the collective efforts and joint action. Building the credibility of the United Nations as a reliable partner and strengthening national mutual accountability mechanisms will remain imperative.

The United Nations System in Azerbaijan will strategically position itself through coherent planning processes and strengthened interventions to deliver strategic results with a greater impact. National ownership and mutual accountability will be given a priority, with a focus on strengthening national monitoring and evaluation (M&E) capacity and deepening the integration of M&E into the national development planning and implementation process.

The United Nations Country Team will make efforts for a much stronger UN integrated approach and convergences of interventions that would better meld the capacities of the Funds and Programmes with the expertise of UN Agencies. The engagement of both resident and non-resident United Nations Agencies in the UNAPF implementation will be guided by Azerbaijan's needs, with a focus on United Nations core programming principles and quality. The UNAPF will be fully results-focused and it will be the responsibility of each United Nations Agency that puts itself forward to contribute to the UNAPF results to bring human, financial and organizational resources that are sufficient to play a meaningful role in supporting the achievement of these results.

To improve response to Azerbaijan's priorities by making the most valuable contributions to policy advice, technical assistance and advocacy, the UN Country Team will apply some of the pillars of Delivering as One modality, such as *One Leader* (empowered Resident Coordinator and empowered UNCT), *Operating as One*, and *Communicating as One*.

## **One Leader**

As outlined in the Standard Operating Procedures for Delivering as One, under the *One Leader* concept, the empowered Resident Coordinator will provide strategic leadership throughout the UNAPF process, bringing together relevant analytical capacities, both national and international, and developing synergies between various United Nations assets, as well as linkages between United Nations entities, with their respective mandates, and other partners. The Resident Coordinator will lead the process in a collegial and participatory way, and will ensure that the United Nations System in Azerbaijan is responding to the most relevant and strategic national priorities in an effective and timely way.

The Resident Coordinator will hold UNCT members accountable for the results they committed to deliver with the UNAPF. Each Agency will retain authority and accountability over the use of Agency resources.

The UNCT will support the leadership role of the empowered Resident Coordinator over the revision and implementation of the UNAPF. The UNCT will be responsible for the oversight and effective functioning of the UNAPF Results Groups and M&E Group, UN Gender Theme Group, UN Working Group on Human Rights, Joint UN Team on AIDS, Operations Management Team, and UN Communications Group. Regular UNCT meetings will establish an ongoing, high level of information exchange to strengthen inter-Agency collaboration and improve coordination of the United Nations System as a whole.

# **Operating as One**

The UNCT will support results-based planning to strengthen strategic thinking and prioritization of harmonization efforts, with a focus on the highest value added. Led by UNDP, the Operations Management Team intensively discussed the approaches to planning, management and implementation of harmonized business operations at country level, aligning activities as outlined within the UNAPF document. It voiced a need for several operational activities and harmonization efforts of the UNCT as part of Operating as One pillar.

# Operating as One in Azerbaijan

	Areas for OaO	Activities that ensure OaO	Agencies working together	Agencies to join OaO	Status update
1	Common Procurement	Maximize the use of joint long-term agreements (LTAs) negotiated on the basis of joint UN volumes, for specific procurement categories, capitalizing where possible on regional and global level LTAs.	UNDP, UNICEF, DSS, DPI, OHCHR, UNODC, UNFPA*, ILO	IOM (only for LTAs)	UNFPA requires a separate contact for LTA vendor. WHO is cooperating with other UN agencies using UN "umbrella" contracts (Azercell, Lukoil, etc.)
		Ensure that common procurement at the country level is led by UN agency with the capacity and technical mandate for the concerned supplies and services	UNDP, DSS, DPI, OHCHR, UNODC, UNFPA, WHO		UNDP procurement exercise, LTAs, IC format are used by other agencies  WHO has its own procurement rules and documentation/contract, which differs from other agencies  UNICEF has very few suppliers in common (nature of the work)
		Use harmonized tools and instruments to reduce procurement costs and harmonize procurement processes, including the use of a common review body, common terminology, common solicitation documents, common standard contracts, common general terms and conditions of the contract local vendor database, and common procurement training materials.	CAP (UNDP&UNFPA); LTA evaluation committee/working groups for travel, banking, Internet connections (UNDP, UNICEF, UNHCR, UNFPA, OHCHR, WHO)		Agency specific contact templates and general terms and conditions; common vendor database for UNDP administrated agencies; common procurement training materials.
2	Common Logistics and Transport	Maximize the use of common staff transport arrangements, carpooling, and common fleet management and	UNDP, WHO, UNICEF, UNODC		Transportation/carpooling: area for improvements.  Applied during high-level meetings or important

		maintenance arrangements as appropriate. In countries where the principle of transition applies, the assets and capacities of the UN mission that contribute to such arrangements should be considered;  Implement harmonized travel entitlements for staff and partners once harmonized guidelines are available from the High-level Committee on Management;	UNDP and UNDP- administrated agencies	Will be reviewed by all agencies as soon as the harmonized guidelines are available
		Make common arrangements, including the possibility of outsourcing of travel services (tickets, meet- and-greet services, staff transportation, etc.)	All UN agencies	
3	Common ICT	Implement Country Office level harmonized ICT solutions, as outlined in the Guidelines for "Delivering as one" in ICT at the Country Level, providing functional improvements in ICT operations, including the area of green IT, ICT security, connectivity, support and infrastructure in coordination with the UNDG ICT Reference Group.  In coordination with the UNDG ICT Reference Group, translate UN Country Team ICT- related business problems into harmonized ICT solutions that are in line with each agency's ICT standards;	UN House agencies;  UNDP/WHO Working Group for Fibro optic connection for the UN House	The required level of support varies (some agencies need full site support, whereas others - only online support, a problem shooting)  Agencies in different location can only share online support  Common Internet connectivity (fiber optic connection) and Helpdesk for UN House
		Establish task forces		LIA IOI HEIPUESK dilu

		under the Operations		Internet connectivity
		Management Team,		internet connectivity
		when needed, to ensure		
		interdisciplinary		
		engagement between		
		the ICT Task Force and		
		the other operations-		
		and programme-related		
		teams (e.g., the task		
		forces on procurement, human resource finance		
		and programme teams		
		under the One		
		Programme) to ensure		
		that ICT solutions meet		
		technical as well as		
		business demands.		
		0.11.1	LINIDD LINID	
4	Common HR	Collaborate in areas of staff recruitment, such	UNDP and UNDP- administered	WHO has its own
		as: (a) common vacancy	agencies	recruitment system and
		advertisements,	480110103	HR management is
		formats and media	UNDP/UNFPA	regulated by the EURO
		contacts; (b) use of	Interview Panel	regional office. No
		harmonized job		changes are envisaged.
		descriptions and grade		
		levels; (c) ability to use		
		shortlisting results		
		and/or recommended		
		candidates of other		
		agencies to identify candidates and save		
		duplication of HR		
		efforts; and (d) common		
		outsourcing for		
		reference checks		
		Use common		
		rosters/databases for		
		the recruitment of		
		consultants and		
		national staff and uses a common basis for		
		determining the		
		remuneration of		
		individual consultants in		
		accordance with		
		commonly agreed rates		
		derived from the local		
		consultancy market;		
		Ensure that		
		responsibilities of		
		Operations		
		Management Team		
		staff members in the		
		context of		
		implementation of the		

			T		1
		<b>Business Operations</b>			
		Strategy are reflected in			
		their performance			
		assessments, including			
		contributions of the			
		Operations			
		Management Team			
		Chair, who is a UN			
		Country Team member;			
		Country realifillelliber,			
		luculariant hannaniand			
		Implement harmonized			
		field-based			Will have to be
		entitlements once			reorganized when
		guidance becomes			harmonized guidelines are
		available from the High-			available.
		level Committee on			available.
		Management;			
		,			
		Establish common			
		training and learning			
		opportunities and			
		shared staff training			
		_			
		(Business Operations			
		Strategy, Quality			
		Assurance and Project			
		Management, etc.); and			
		uses UNDG			
		standardized UN			
		capacity			
		review/assessment in			
		preparation for a new			
		One			
		Programme/UNDAF			
		cycle.			
5	Common	Once the internal audit			A source or a sific internal
Ъ	Common				Agency-specific internal
	Audit	approaches are			office audit regulations.
		harmonized between			No changes seem possible
		organizations, the			at the CO level.
		internal audit services			
		of the UN organizations			
		participating in joint			
		programming efforts			
		may execute one single			
		internal audit, which is			
		carried out on behalf of			
		all organizations			
		participating in the			
		audit, according to a			
		framework agreed			
		between the internal			
		audit services.			
					LINDD issued LTA for
		Within the context of			UNDP issued LTA for
		the One Programme,			External Project Audit that
		and given the move			is open for all agencies.
		towards joint work			
		plans at the Results			
		F.a at the heading	İ	i i	i

			Group level, which		
			replace stand-alone		
			individual agency work		
			plans/project		
			documents, senior		
			management and the		
			GB of the organizations and UN Country Team		
			support an integrated		
			single internal audit of		
			the joint annual work		
			plans at the country		
			level, conducted by the		
			internal audit services		
			of the UN organizations		
			following a risk based planning.		
			pianning.		
F	6	Common	Common Banking	UNDP bank account	Agencies use different
		Finance	exercise; common bank	and finance system	systems (e.g. ATLAS, GMS,
			and/or bank account	for Atlas and non-	etc.).
				Atlas agencies	·
			Common pay-cycle and		
			payroll through Atlas		
			Common voucher		
			processing through		
			Atlas		
			Unified finance		
			department for all		
			operations (UNDP)		
	7	Harmonized	Within the context of		UNICEF will conduct a
		Approach to	the formulation of the		micro-assessment on the
		Cash	One Programme and in		HACT implementation.
		Transfers	determining what		, , , , , , , , , , , , , , , , , , , ,
		(HACT)	capacities are needed,		
			agencies use one		
			harmonized approach to assess risks, transfer		
			cash and build the		
			capacity of partners		
			with the aim to obtain		
			assurance on proper		
			utilization of funds in a		
			cost effective manner.		
			Agencies implementing		UNDP and several
			HACT use the		agencies provide support
			instruments		to the NIM
			recommended by the		implementation, where an
			HACT framework as the		agency implements
			exclusive instrument to		projects directly and has
			manage cash		full filing system on all
			disbursements to		payments, i.e. not working
			implementing partners and for reporting.		through grants and loans.
			and for reporting.		

8	Common Premises	Where external circumstances permit, including security concerns, UN agencies share premises at the national and provincial levels, as long as such arrangements are cost effective.	UN House Agencies UNICEF-ILO UNHCR-OHCHR	UNFPA moved to the UN House in March 2015.
		In transition countries, particularly when there is a UN mission, establishment of common premises at the national and provincial levels should take into account security concerns as well as the possibility of co-location with the mission.	UN House security system  UNHCR-OHCHR office security	
		In countries where the principles of integration apply, the possibility of co-location with mission presences, particularly at the subnational level, should be considered.		

# **Communicating as One**

The UNAPF will enable the UNCT bring its comparative advantages under all three strategic areas to achieve tangible progress toward Vision 2020, the post-2015 development agenda, and internationally agreed goals and commitments, shifting from the assistance paradigm to a greater focus on cooperation and partnership.

In 2015, the United Nations Communications Group, under the guidance of the UN Country Team and with support from the RC's Office, will develop a UNCT Communications Strategy for 2016-2020, to be aligned with the UNAPF priorities. Strategic internal and external communications efforts will target national counterparts, a wide range of partners and the general public to raise awareness of United Nations programmes and development results in Azerbaijan.

The United Nations Communications Group will work under the guidance of the UN Country Team and closely with the UNAPF Results Groups to support the UNCT's communications activities, as a joint communications support hub, to boost information sharing and strengthen linkages between UNAPF-related communications and joint activities to observe UN Days.

The United Nations will "speak with one voice" to partners and media on key development and policy issues, with a strong common advocacy approach and a clear United Nations position on the issues of vital importance and relevance for Azerbaijan, including crosscutting issues. In turn, this will help to ensure a greater coherence of United Nations common advocacy for sustainable development and the post-2015 development agenda, gender equality and women's empowerment, youth issues, human rights and mainstreaming disability, among other priorities.

# **Annex 4: Terms of Reference for the UNAPF Steering Committee**

A high-level UNAPF Steering Committee will be chaired by the Minister of Economy and UN Resident Coordinator, and will comprise senior government officials, including members of the **National Action Group for 'Vision 2020'** as well as Heads of United Nations Agencies, development partners, and other stakeholders.

The Steering Committee will guide the implementation of the UNAPF for 2016-2020, as follows:

- 1. Provide a high-level oversight for providing effective support for achieving the UNAPF outcomes and expected results.
- 2. Endorse the Terms of Reference of the UNAPF Results Groups and M&E Group to ensure representation and contextual focus of the UNAPF.
- 3. Review and agree on the Annual Work Plan priorities of the UNAPF Results Groups and M&E Group, including proposed financial resources required to implement the UNAPF.

Specifically, the Steering Committee will:

- Review and confirm the strategic direction and overall funding priorities;
- Hold, at least, one annual meeting to review a progress in achieving the UNAPF objectives;
- Endorse the UNAPF Annual Review report focusing on the strategies, implementation modalities and coordination mechanisms required to achieve the UNAPF objectives in all identified areas of cooperation.

# GOVERNMENT OF AZERBAIJAN & UNITED NATIONS