

FAO COUNTRY PROGRAMMING FRAMEWORK FOR AZERBAIJAN (2013-2015)

EXECUTIVE SUMMARY

The Government of Azerbaijan (GOA), represented by the Ministry of Agriculture (MA) and the Food and Agriculture Organization of the United Nations (FAO), represented by the Subregional Coordinator for Central Asia and FAO Representative in Azerbaijan have launched in 2009 the Country Programming Framework (CPF; NMTPF in 2009) process through a series of technical consultations to (i) identify the priority areas or FAO technical assistance, (ii) provide assistance in synergy with the United Nations Development Assistance Framework for 2011-2015 in order to (iii) ensure reflecting FAO's comparative advantage and maximize synergy for increased aid effectiveness. The CPF has been signed on 20 April 2012 at the ERC 2012.

The NMTPF formulation was done through a participatory and iterative process of (i) review of national priorities and policies for agriculture, food processing and trade and fisheries and forestry development, (ii) against a background of on-going and planned assistance by bi- and multilateral donors International Financial Institutions active in the country, (iii) taking into account FAO's comparative advantage and record of activities in the country and already received requests from the Government of Azerbaijan (GOA).

The NMTPF for the 2010-2012 period was formulated in close and direct cooperation with MA and in consultations with numerous stakeholders in and the agriculture and food processing and trade sector, national institutions as well as development partners, including the UN Country Team, as expressed in the UNDAF 2011-2015. The CPF document will be jointly owned by the GOA and FAO, demonstrating FAO's commitment to the guidance of the March 2005 Paris Declaration on Aid Effectiveness.

The NMTPF and CPF revisions are harmonized with main multilateral donors' programmes and priorities, thus EU Eastern Partnership,, World Bank Country Partnership Strategy and bilateral donors: USAID and Swiss Development Cooperation (SDC).

A review of the current NMTPF for 2010-2012 is planned for early 2013 to develop new CPF for 2013-2015 period; for this purpose a stakeholder meeting will be organized and establishment of a CPF implementation Task Force is foreseen. The GOA has indicated the following five agriculture sector priorities/thematic clusters for the 2010-2012 period, to be reviewed in early 2013 at which point these will be linked to FAO Strategic and Regional Objectives:

CPF Priority Area 1: Enabling environment for investment in agriculture, livestock, forestry and fisheries development

FAO supports Government vision to design and implement programmes aimed at creating and enabling environment for investment in agriculture and rural development through public-private partnerships arrangements, building of local linkages and institutions, supporting innovation and introduction of agricultural knowledge-based technologies. In general terms, this implies a more systematic and coherent transformation of the agricultural and rural sector from a subsistence orientation to a more diversified and modern domestic and export market-oriented system. This will be undertaken within the context of value chain development and through encouragement of individual farmers' group formation (empowerment of farmers' groups, rural women's groups, water use associations, honey producers, fishermen and aquaculture producers, etc.) for improved resource management and products marketing.

CPF Priority Area 2: Protection and sustainable management of natural resources

Protection of natural resources while using its potential is one of the key priority areas of the government in the agriculture development strategy. This implies to use available animal genetic resources, but also promoting livestock development and disaster risk management. The main focus of the assistance will be in capacity development for maintaining and management of animal and plant genetic resources, range land management and as well as supporting capacity development in forestry management and inventories.

CPF Priority Area 3: Sustainable equity-driven agriculture production

Assuring food safety and quality and better access to international markets can be achieved most effectively by the principle of prevention throughout the production, processing and marketing chain and is of importance for the development of rural areas in Azerbaijan. Focus of the FAO activities under this priority areas will be on promoting organic farming, integrated pest management land resource management and land tenure rights.

CPF Priority Area 4: Strengthening the policy and institutional framework for agriculture and rural development

Institutional strengthening and clear definition of responsibilities in the governance of the agriculture and rural sector is required in Azerbaijan to facilitate the process of modernizing agriculture and to diversify the economy. Responsibilities regarding policy formulation and providing proper framework for the development of the sector needs to be addressed. The major focus in this area of priorities will be on land tenure rights, land consolidation and water management as well as the sector of fisheries and aquaculture. A proper certification system e.g. seeds and the institutional framework for food safety control needs to be in place as well as capacity development for planning investments and improving marketing schemes.

CPF Priority Area 5: Capacity building for the design, operation and maintenance of rural economic infrastructure,

In order to enhance the economic importance of the agriculture and rural sector and to diversify from the oil driven economy Azerbaijan uses its oil resources for infrastructure investment. The challenges in this context is the planning and design and management of the infrastructure. Support will be provided to Azerbaijan in capacity development in this area for the rural institutions. Given the importance of the cold storage sector in Azerbaijan, especially for developing a full fruits and vegetables value chain, FAO could have a major impact by providing technical assistance on locating, and assisting in the training in O&M of warehouses and cold storage facilities.

The implementation of NMTPF has been so far funded almost only by FAO with uncommitted funds' sources and resources mobilization strategy and mechanisms for implementation and additional funding mainly by the Government and lengthy Government endorsement procedure.

By endorsing the 2010-2012 NMTPF, the GOA has committed itself to providing collaboration to the fullest possible extent with regard to available capacity and resources to facilitate the achievement of objectives and actions proposed in the document.

The 2010-2012 NMTPF to be revised into CPF-format and will be pursued in partnership as broad as possible and in alignment with the joint efforts of the GOA and other development partners for enhanced

coordination and aid effectiveness. The Government of Azerbaijan and FAO look forward to seeking collaboration and support from concerned partners *vis-à-vis* the successful implementation of the CPF.