

**Project Inception Report**  
**“Building Climate Resilient Cities and Communities in Azerbaijan”**  
*Adaptation Fund Project ID: AF00000388*

*Version 260215*

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## 1. Basic Project Information

- **Implementing Entity:** UN-Habitat
- **Executing Entities:** UNEP; IOM
- **Designated Authority:** Ministry of Ecology and Natural Resources (MENR);
- **Core Stakeholders:** Ministry of Emergency Situations (MoES); State Committee on Urban Planning and Architecture (SCUPA); Azerbaijan State Water Resources Agency (ADSEA); Baku City Executive Power; Neftchala District Executive Power; Astara District Executive Power
- **Total Budget:** USD 10 million over four years
- **Project Duration:** 2026–2029
- **Project locations / pilot areas:** Greater Baku; Neftchala District; Astara District
- **Project Approval Date (by AF Board):** 25 October 2024
- **Initial Fund Disbursement from AF:** 5 February 2025
- **Formal Project Start Date** (as per AF policy): 15 January 2026 – date of the first Project Inception Workshop.

### ***Note on Postponement of Inception Date***

Following Board approval and first cash transfer, UN-Habitat requested additional time to organise the inception workshop in light of the national Cabinet clearance process for the project. On 15 December 2025, the Adaptation Fund Board Secretariat cleared UN-Habitat's request for a seven-month postponement of the project inception date up to 29 May 2026. The request was treated as a minor change and justified by the time required for the Cabinet of Ministers to complete its internal review and endorsement. The Secretariat recognised that the Designated Authority (DA) had been duly consulted and that the request was consistent with the Fund's Policy for Project/Programme Delays. The inception workshop held on 15 January 2026 took place within this extended timeframe in agreement with MENR as the DA which marks the formal start of implementation in line with Decision B.18/29.

## 2. Executive Summary

On 15 January 2026, the Government of Azerbaijan, UN-Habitat, UNEP and IOM convened a technical, virtual inception workshop for the Adaptation Fund-financed programme "Building Climate Resilient Cities and Communities in Azerbaijan" (AF00000388). The workshop, co-organised by MENR as Designated Authority to the Adaptation Fund and UN-Habitat as Implementing Entity, marks the official start of project implementation.

The four-year, USD 10 million joint programme aims to strengthen the climate resilience of vulnerable urban and peri-urban communities along the Caspian coast by:

- 1) building national and local capacities and policies for climate-resilient urban development and planning;
- 2) delivering concrete adaptation interventions in Greater Baku, Neftchala and Astara; and
- 3) capturing and sharing evidence and lessons for replication and upscaling across the country.

Given the shared nature of climate risks in the Caspian basin, the project also offers an opportunity to strengthen coordination on climate resilience along the Caspian coast.

The inception workshop brought together senior representatives from MENR, MoES, SCUPA, ADSEA, Baku City Executive Power, Neftchala and Astara District Executive Powers, and project teams from UN-Habitat, UNEP and IOM. The workshop:

- confirmed the strategic relevance and timing of the project, including alignment with the United Nations Sustainable Development Cooperation Framework (UNSDCF) 2026–2030 and UN-Habitat’s Strategic Plan 2026–2029;
- clarified and validated governance arrangements, with MENR confirmed as Designated Authority and national coordinator, supported technically by SCUPA and the pilot city and district authorities;
- endorsed the establishment of a Programme Advisory Committee (PAC) as the key platform for coordination, oversight and strategic guidance;
- reiterated AF reporting and evaluation requirements (inception report; annual Project Performance Reports; mid-term and terminal evaluations; annual audited financial statements) and agreed division of labour among UN-Habitat, UNEP and IOM; and
- agreed next steps to operationalise the project, including finalising PAC terms of reference, confirming institutional focal points, continuing to support the Cabinet process as requested and preparing a physical/hybrid formal launch event following Cabinet endorsement.

In light of the ongoing Cabinet review, the workshop adopted a tailored, two-step approach: a technical virtual inception with core implementing partners, followed by a formal in-person public launch after Cabinet approval. This approach balances compliance with AF requirements with respect for national decision-making processes and stakeholder expectations, and mirrors a similar practice used for a Green Climate Fund project jointly implemented by UNEP and the Government.

## **Backgrounds**

### 1) Adaptation Fund compliance:

- The virtual inception workshop held on 15 January 2026 confirms the project start date in line with Decision B.18/29.
- This inception report is submitted within one month of the workshop, in line with the Agreement between AF and UN-Habitat.

### 1) Political and strategic timing:

- The project aligns with the UNSDCF 2026–2030 and Azerbaijan’s follow-up to COP29, positioning it as a flagship initiative on climate-resilient urbanisation and coastal adaptation.
- It is also well-timed in relation to high-level platforms such as the Baku Global Forum 8 (BGF8), the thirteenth session of the World Urban Forum (WUF13) and the World Environment Day (WED) to be hosted in Baku, which can showcase early progress and commitments.

- 2) Institutional ownership and joint UN delivery:
  - MENR has confirmed its strong commitment as national lead and Designated Authority, with active engagement by SCUPA, MoES, ADSEA and the pilot local authorities.
  - The project consolidates a three-agency UN partnership (UN-Habitat, UNEP, IOM), providing integrated support across policy, planning, ecosystem-based adaptation and community-level measures.

### ***Next Steps***

For MENR and national partners:

- 1) Facilitate the Cabinet review process and secure formal endorsement of the project; UN-Habitat, UNEP and IOM will continue to provide inputs when requested, recognising that this is a sovereign national process.
- 2) Nominate institutional focal points for the PAC from MENR, MoES, SCUPA, ADSEA, Baku City Executive Power, Neftchala District Executive Power and Astarra District Executive Power.
- 3) Review and endorse the draft PAC terms of reference.

For UN-Habitat, UNEP and IOM:

- 4) Finalise and submit this inception report to the AF Secretariat and circulate the inception workshop meeting notes to core stakeholders.
- 5) Prepare a joint Year 1 workplan and budget, specifying responsibilities and timelines per outcome and output.
- 6) Support MENR with inputs for climate and urban sessions at BGF8, WUF13, WED highlighting the project as a flagship/legacy initiative for climate-resilient cities and communities.

Joint actions:

- 1) Prepare the concept and programme for a formal in-person public launch event to be held after Cabinet endorsement, with a focus on visibility, public awareness and opportunities for scaling up.
- 2) Convene the first PAC meeting (ideally within one to two months of Cabinet endorsement) to adopt the Year 1 workplan and budget, confirm monitoring and evaluation arrangements and agree on knowledge and communication priorities.
- 3) Initiate preparatory technical work in the three pilot sites (for example, baseline data mobilisation, site profiling, stakeholder mapping and early technical scoping), consistent with national procedures and safeguards.

## **3. Project Context, Milestones and Challenges**

### ***Climate and Policy Context***

Azerbaijan’s urban and coastal areas face growing climate-related risks, including sea-level and river-level fluctuations along the Caspian coast, increased frequency and intensity of coastal flooding, waterlogging and storm surges, heat stress and urban heat-island effects, and water scarcity and variability. These hazards threaten infrastructure, housing, livelihoods, social services and the well-being of vulnerable groups, particularly in coastal cities and low-lying settlements.

The Government has made strong international commitments under the Paris Agreement and the 2030 Agenda and is strengthening its institutional frameworks through instruments such as the National Adaptation Plan. Coastal zones and early warning systems for cities and communities are recognised as priority areas. The project is aligned with these national priorities and contributes to the environmental and climate action impact area of UN-Habitat’s Strategic Plan 2026–2029 and the climate resilience outcome of the UNSDCF 2026–2030.

### **Milestones**

Key milestones between approval and the inception workshop include, among others:

<b>Date</b>	<b>Milestone</b>
25 October 2024	Proposal approved by the Adaptation Fund Board at its 43rd meeting (Decision B.43/8)
6 November 2024	Letter from the Adaptation Fund Board Secretariat to UN-Habitat informing approval of the proposal
5 February 2025	First cash transfer from the Adaptation Fund to UN-Habitat
25 June 2025	Meeting with the Ministry of Ecology and Natural Resources and UNEP to discuss project implementation
5 August 2025	Original indicative project start date (within six months of the first cash transfer).
16 September 2025	Presented at the Climate Solutions Dialogue organised by the UN RCO, to the diplomatic corp to showcase climate-resilient urban development
3 October 2025	Featured at the “Caspian Sea Tipping Point” Conference in panel discussion
15 October 2025	Highlighted by the Executive Director of UN-Habitat at the 3rd National Urban Forum of Azerbaijan (NUFA3) to 1,500 participants from 65 countries
15 December 2025	Adaptation Fund Secretariat clears the postponement request with consideration of the Cabinet approval process
15 January 2026	Virtual inception workshop held with core implementing partners
5 February 2026	First official bilateral meeting held between UN-Habitat and MENR, confirming strong national ownership and indicating that Cabinet approval is drawing closer

As reflected in the above timeline, despite the extended timeline for national endorsement, this period was used actively to establish implementation arrangements, conclude agreements with UNEP and IOM, complete internal safeguards processes, mobilise the project team, coordinate with national partners and position the project within wider climate and urban resilience dialogues.

#### **4. Operational Challenges and Adaptive Management**

The main operational challenge encountered relates to the time required for the national Cabinet of Ministries to review and endorse the project. Completion of the Cabinet process is an essential sovereign requirement for formal national start-up and for high-visibility public engagement around the project. The process involves several ministries and internal consultations and as such, took longer than the standard six-month window foreseen by the Adaptation Fund between first cash transfer and inception.

In this context, national stakeholders were understandably cautious about participating in a formal, public launch event before Cabinet endorsement. Through close dialogue with MENR as the Designated Authority, UN-Habitat explained the Adaptation Fund's requirements and the time needed for internal procedures. As a result, the parties agreed to:

- 3) request a postponement of the project inception date from the Adaptation Fund, which was cleared by the Secretariat as a minor change; and
- 4) organise a technical, virtual inception workshop with core implementing partners, within the extended timeframe, to meet Adaptation Fund requirements and to enable preparatory work to begin while the Cabinet process runs its course.

This two-step approach - a technical virtual inception followed by a formal in-person public launch after Cabinet endorsement - is tailored to Azerbaijani institutional practice and respects both national processes and Adaptation Fund policies. A similar approach has been employed in a Green Climate Fund project jointly implemented by UNEP and the Government, providing a tested model in the local context.

#### **5. Inception Workshop: Objectives, Design and Participation**

##### ***Objectives***

The inception workshop pursued four main objectives:

- 1) Present the project to key national and local stakeholders and develop a shared understanding of its objectives, components, target areas, theory of change, implementation arrangements and reporting requirements.
- 2) Clarify governance and coordination arrangements, including roles, responsibilities and communication lines between MENR, other national institutions, local authorities and UN partners.
- 3) Confirm institutional focal points and working-level contacts for subsequent coordination.

- 4) Agree on immediate next steps for implementation and outreach, including the approach to a physical/hybrid launch event after Cabinet endorsement.

### ***Design and Rationale***

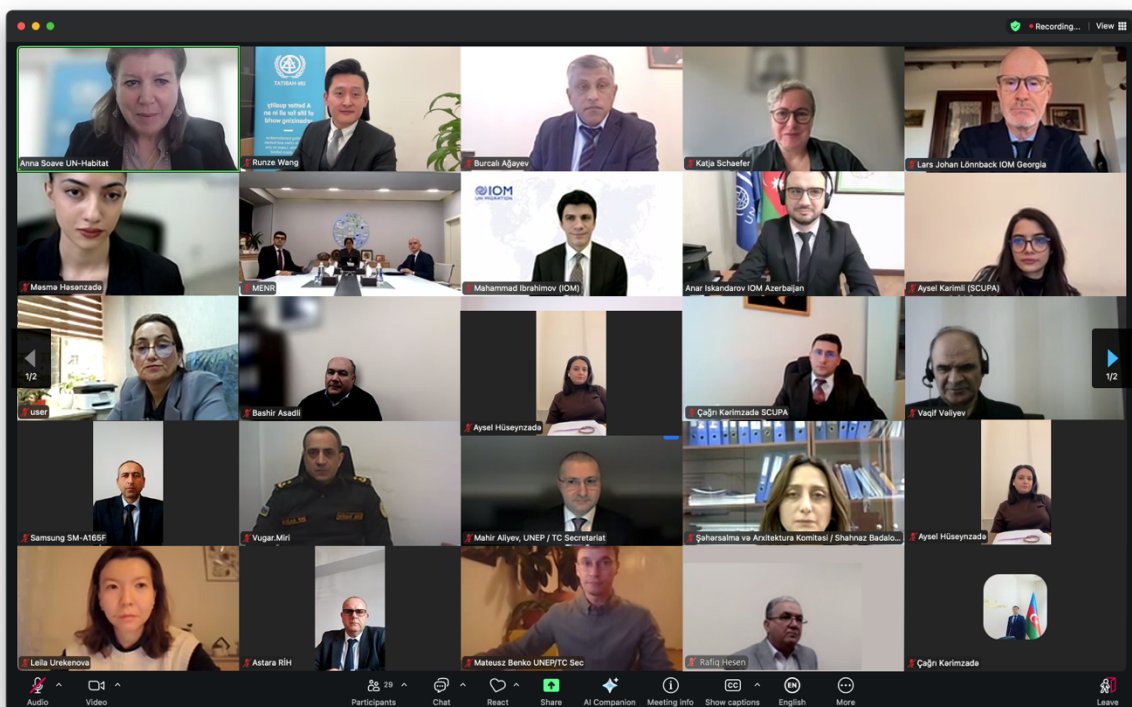
The workshop was held on Thursday 15 January 2026 from 11:00 to 12:30 (GMT+4), using the Zoom platform with simultaneous interpretation between English and Azerbaijani. The virtual, technical format was chosen in agreement with MENR to allow the project to meet Adaptation Fund requirements and begin preparatory work while respecting the ongoing Cabinet review process and the preference to organise a high-visibility public launch only after Cabinet endorsement.

### ***Participation***

The workshop was convened by MENR and supported by UN-Habitat as the Implementing Entity, in partnership with UNEP and IOM. Participants included senior representatives from:

- 5) National government: MENR, MoES, SCUPA, ADSEA;
- 6) Local authorities: Baku City Executive Power; Neftchala District Executive Power; Astara District Executive Power;

A detailed list of participants is provided in Annex 2.



### ***Agenda***

The workshop followed an agenda agreed between MENR and UN partners. Key items included:

- 1) Opening remarks by the Deputy Minister of MENR;
- 2) Introductory remarks by UN-Habitat Headquarters;
- 3) Project overview by UN-Habitat Azerbaijan Office;
- 4) Intervention and facilitation of discussion by UNEP Tehran Convention;
- 5) Proposed Programme Advisory Committee and Adaptation Fund reporting requirements by UN-Habitat Azerbaijan Office; Intervention and facilitation of discussion by IOM Regional Office;
- 6) Summary of key points and next steps by UN-Habitat Azerbaijan.

The full programme is provided in Annex 1.

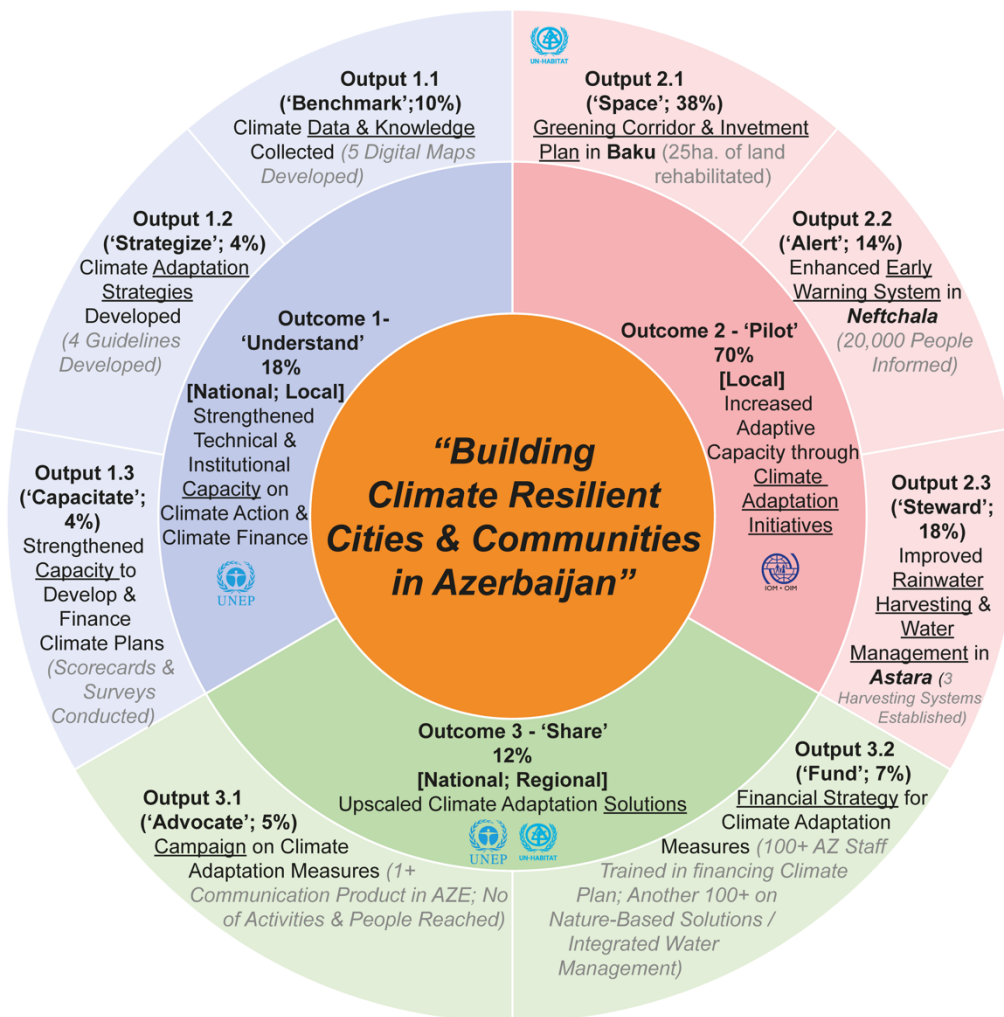
## **Key Outcomes**

### Confirmation of project design and pilot interventions

Participants confirmed that no changes are proposed to the project objective, outcomes, results framework, budget structure or geographic focus on Baku, Neftchala and Astara. The three main components and associated pilot interventions remain valid and relevant:

1. Outcome 1 – “To understand the climate challenges”: national and local capacity development, climate data and mapping, strategies and guidelines, climate finance tools.
  - Data and knowledge on climate change risks and vulnerability for the Caspian Sea coast, including applicable practices and sectoral analysis.
  - Strategies and recommendations for adaptation coordination, planning and management, including ICZM and MSP preparation, sector-specific strategies, and case studies.
  - National-and local level capacity-building to develop and finance plans to address climate change-related risks and impacts for local community resilience, including preparing ICZM and MSP-focused training modules, toolkits, and urban policy planning.
2. Outcome 2 – “To pilot implementation projects”:
  - Baku: nature-based solutions and a green corridor transforming disused railway land into multifunctional public space that manages stormwater, reduces heat and provides safe, inclusive public areas;
  - Neftchala: community-based early warning systems and local resilience measures for river and sea-level fluctuations;
  - Astara: measures to enhance household and community water security through rainwater harvesting and improved water management.
3. Outcome 3 – “To share good practices”: communication and awareness campaigns, knowledge products and financial strategies for scaling-up.

National and local counterparts welcomed the focus on these three pilot areas and the balance between upstream policy work and concrete local interventions.



### Governance arrangements and Programme Advisory Committee

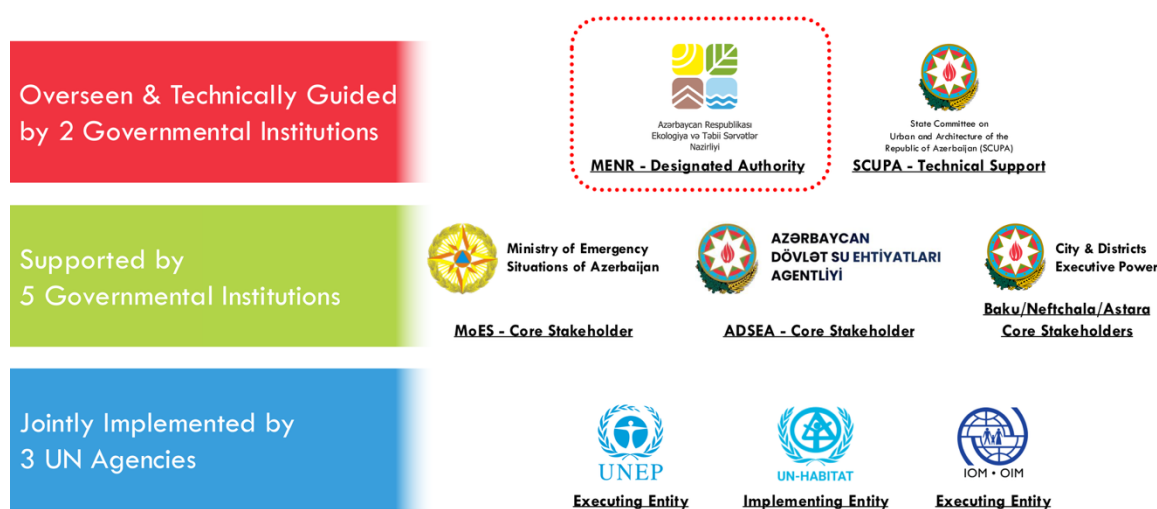
The workshop confirmed MENR's role as national lead and Designated Authority to the Adaptation Fund and clarified the roles of other key actors:

- SCUPA as technical lead on urban and spatial planning, particularly in relation to the Baku green corridor and planning instruments;
- MoES and ADSEA as core partners for disaster risk reduction, early warning and water resources management, with particular relevance for Neftchala and Astara;
- Baku City Executive Power, Neftchala District Executive Power and Astara District Executive Power as local implementing partners responsible for confirmation of project sites, community engagement and operation and maintenance of interventions.

Participants endorsed the establishment of a Programme Advisory Committee, co-chaired by MENR (on behalf of the Host Government) and UN-Habitat (on behalf of UN partners), with membership from the above institutions and UNEP and IOM. The PAC will:

- provide strategic guidance and oversight;
- review annual workplans and budgets;
- consider Adaptation Fund Project Performance Reports and evaluation findings;
- support coordination across institutions and levels of government; and
- oversee application of environmental and social safeguards and gender measures.

The detailed composition and terms of reference of the PAC will be finalised following the workshop.



### Adaptation Fund reporting, safeguards and gender

The workshop recalled the Adaptation Fund's reporting and evaluation framework, including:

- Project Inception Report;
- Annual Project Performance Reports;
- Mid-term and terminal evaluations; and
- Annual audited financial statements of the grant account.

UN-Habitat as the Implementing Entity, will coordinate the preparation and submission of these reports, with UNEP and IOM providing consolidated technical and financial inputs for their respective components.

Participants also noted the project's existing Environmental and Social Management Plan and gender baseline and action plan, developed in line with the Adaptation Fund Environmental and Social Policy and Gender Policy and UN-Habitat's Environmental and Social Safeguards System. The workshop confirmed that these instruments will be used to guide risk screening, mitigation and monitoring throughout implementation, with particular attention to early and meaningful engagement of vulnerable groups.

### Strategic positioning: BGF8, WUF13, WED and other platforms

The workshop recognised important opportunities to position the project within Azerbaijan’s broader climate diplomacy and global urban agenda, including:

- 8th Baku Global Forum (BGF8): the planned participation of the UN-Habitat Executive Director and a proposed bilateral meeting with MENR leadership will allow the project to be highlighted as a flagship example of climate-resilient urban development.
- World Urban Forum 13 (WUF13): UN-Habitat, UNEP and IOM have proposed a “One UN Event” using the project as a flagship case; MENR has proposed a side event on early warning systems for cities at which experience from the project can also be showcased.
- Other national events such as World Environment Day (WED): opportunities to communicate project objectives and early achievements.

These platforms increase the importance of demonstrating early, visible progress and clear messaging from the project’s pilot interventions.

## **6. Implementation Arrangements, Risks and Next Steps**

### ***Implementation Arrangements***

The implementation arrangements confirmed at the workshop are consistent with the approved project document:

- Implementing Entity: UN-Habitat - lead for the Baku green corridor and cross-cutting elements of Outcomes 2 and 3, as well as overall coordination and reporting to the donor.
- Executing Partners:
  - UNEP – lead for Outcome 1 (capacity, data, policy);
  - IOM – lead for major components of Outcome 2 in Neftchala and Astar.
- National partners:
  - MENR – national lead and Designated Authority to the Adaptation Fund;
  - MoES – disaster risk reduction and early warning;
  - SCUPA – urban and spatial planning;
  - ADSEA – water resources management;
  - Baku City Executive Power, Neftchala District Executive Power, Astar District Executive Power – local implementation partners, community engagement, operation and maintenance.

### ***Key Operational Risks and Mitigation Measures***

The main operational risks and mitigation measures identified at this stage are:

- Risk: Extended national Cabinet endorsement process may delay the formal national launch of the project and some high-level public engagements.

- Mitigation: Adaptation Fund-approved postponement of the inception date; organisation of a technical, virtual inception workshop within the extended timeframe; continued liaison with the Designated Authority; adoption of a two-step approach (technical inception followed by formal public launch after Cabinet endorsement); and reference to comparable practice in Green Climate Fund projects in Azerbaijan.
- Risk: Despite initial high-level visibility – including presentations at the Climate Solutions Dialogue (16 September 2025), the “Caspian Sea Tipping Point” Conference (3 October 2025) and NUFA3 (15–17 October 2025) – the absence of Cabinet endorsement may continue to limit broader public communication and structured community engagement, reducing awareness of the project in the short term.
- Mitigation: Use the period before Cabinet approval to complete technical and institutional groundwork (PAC set-up, workplanning, baseline work, safeguards preparations and communication planning), while selectively maintaining visibility through strategic fora; once the Cabinet process is complete, roll out expanded community-level engagement and align major outreach and visibility efforts with BGF8, WUF13, WED and other national events.
- Risk: Coordination complexity across multiple UN agencies and national partners.
- Mitigation: Clear roles and responsibilities as outlined in the approved project document and confirmed at the inception workshop; establishment of the PAC as a structured coordination mechanism; and regular technical meetings among UN-Habitat, UNEP, IOM and key national institutions.

### ***Action Plan***

Building on the workshop discussions and subsequent bilateral meeting with MENR, the following action plan is proposed:

#### *Governance and Cabinet*

- MENR to complete the Cabinet review process and inform UN-Habitat and the Adaptation Fund once formal endorsement is secured.
- MENR and UN partners to finalise and endorse the PAC terms of reference and confirm institutional focal points.
- Convene the first PAC meeting to review the Year 1 workplan and budget and agree on monitoring, evaluation and reporting arrangements.

#### *Technical implementation in pilot areas*

- Initiate preparatory technical work in Baku, Neftchala and Astara, including site profiling, baseline data collection, stakeholder mapping, and scoping of surveys and feasibility work.
- Engage with Baku City Executive Power, in coordination with MENR, on the Baku corridor site and related planning considerations.
- Develop draft implementation plans for the early warning system in Neftchala and water security measures in Astara, in consultation with MoES, ADSEA and local authorities.

### Communications and strategic positioning

- Develop a concise project communication plan, including key messages and visual identity, in coordination with MENR and UN partners.
- Prepare inputs for BGF8, WUF13, WED that highlight the project's objectives, pilot interventions and contribution to national and global climate resilience agendas.
- Design the concept for a formal in-person public launch event to be held after Cabinet endorsement, with a focus on public awareness and opportunities for scaling up.

## **7. Conclusions**

The technical virtual inception workshop held on 15 January 2026 has successfully fulfilled the Adaptation Fund's requirement that the project start date be tied to the inception workshop and has provided a solid platform for implementation. It reaffirmed the commitment of key government stakeholders, confirmed the continued relevance of the project design, clarified governance and coordination arrangements, reiterated reporting and safeguard commitments and set out practical next steps, including a tailored two-step approach that respects the national Cabinet process.

With this inception report, "Building Climate Resilient Cities and Communities in Azerbaijan" formally enters its implementation phase. The proactive efforts undertaken during the extended preparatory period, combined with strong engagement by MENR, other ministries/committees, local authorities and UN partners, provide a solid foundation for delivering tangible, people-centred and scalable resilience outcomes for communities in Baku, Neftchala, Astara and beyond.

## **8. Annexes**

- Annex 1 – Inception workshop programme/agenda; List of participants
- Annex 2 – Presentation slides
- Annex 3 – Meeting minutes of the inception workshop
- Annex 4 – UNSDCF 2026-2030
- Annex 5 – UN-Habitat Strategic Plan 2026–2029
- Annex 6 – Adaptation Fund Secretariat letter clearing minor request for postponement of project inception date (15 December 2025).

*Note: A verbatim transcript of the inception workshop has been retained on file by UN-Habitat and can be made available to the Adaptation Fund Secretariat upon request.*

**“Building Climate-Resilient Cities and Communities in Azerbaijan”  
Virtual Inception Workshop: Concept & Agenda**

Version: 260114

**Summary**

<b>Date</b>	Thursday 15 January 2026
<b>Time &amp; Duration</b>	11.00-12.30 Baku Time (GMT + 4); 1.5 hours
<b>Modality</b>	Fully Virtual via Zoom ( <a href="#">Link</a> )
<b>Language</b>	English with simultaneous interpretation in Azerbaijani
<b>Convener</b>	Ministry of Ecology and Natural Resources of the Republic of Azerbaijan (MENR)
<b>Support by</b>	UN-Habitat (Secretariat), UNEP, IOM

**Proposed Participants**

*(Attendees list will be shared in advance)*

National Government	Local Government	UN Entities
<ul style="list-style-type: none"> <li>Ministry of Ecology and Natural Resources (<b>MENR</b>)</li> <li>Ministry of <b>Emergency Situations (MoES)</b></li> <li>State Committee on Urban Planning and Architecture (<b>SCUPA</b>)</li> <li>Azerbaijan State Water Resources Agency (<b>ADSEA</b>)</li> </ul>	<ul style="list-style-type: none"> <li><b>Baku City</b> Executive Power</li> <li><b>Neftchala</b> District Executive Power</li> <li><b>Astara</b> District Executive Power</li> </ul>	<ul style="list-style-type: none"> <li><b>UN-Habitat</b> (Nairobi-based Headquarters; Baku-based Country office)</li> <li><b>UNEP</b> (Geneva-based Regional Office)</li> <li><b>IOM</b> (Regional, Sub-regional and Country office, Vienna, Tbilisi &amp; Baku based)</li> </ul>

**Agenda**

*(Moderator: Anna Soave, Head of UN-Habitat AZE)*

Time	Duration	Agenda Item	Facilitator/Presenter
11:00	5 mins	Opening Remarks	<b>Umayra Tagiyeva</b> , Deputy Minister, MENR
11:05	5 mins	Introductory Remarks	<b>Katja Schaefer</b> , Regional Advisor, UN-Habitat HQ (Nairobi)
11:10	20 mins	Project Overview: <ul style="list-style-type: none"> <li>Background &amp; Timeline</li> <li>Institutional Arrangements</li> <li>Outcomes &amp; Activities</li> <li>Budgetary Allocations</li> <li>Pilot Implementations</li> <li>Theory of Change</li> <li>Social &amp; Env Safeguards</li> </ul>	<b>Runze Wang</b> , Programme Manager, UN-Habitat AZE (Baku)
11:30	15 mins	Open Discussion: Q&A; Feedback	<b>Mahir Aliyev</b> , Regional Coordinator, UNEP Europe Office (Geneva)
11:45	15 mins	Programme Advisory Committee (PAC) <ul style="list-style-type: none"> <li>AF Reporting Requirements</li> <li>Core Stakeholders</li> </ul>	<b>Runze Wang</b> , Programme Manager, UN-Habitat AZE (Baku)

		<ul style="list-style-type: none"> <li>• Composition &amp; Modality</li> <li>• Term of Reference</li> </ul>	
12:00	15 mins	Open Discussion: Q&A; Feedback	<b>Lars Lonnback</b> , Chief of Mission, IOM Regional Office (Tbilisi)
12:15	10 mins	Summary of Key Discussion & Way Forward	<b>Anna Soave</b> , Head of UN-Habitat AZE (Baku)
12:25	5 mins	Closing Remarks	<b>Umayra Tagiyeva</b> , Deputy Minister, or Rep from MENR

### **Project Summary**

The four-year, USD 10 million joint programme “**Building Climate Resilient Cities and Communities in Azerbaijan**”, financed by the Adaptation Fund, is implemented by three UN agencies (UN-Habitat, UNEP and IOM) with three components:

- 1) Capacity development and policy support;
- 2) Local adaptation interventions in Greater Baku, Neftchala & Astara;
- 3) Replication and upscaling.

The project is overseen by the Ministry of Ecology and Natural Resources as the Designated Authority, with technical support from the State Committee on Urban Planning and Architecture, and is fully consistent with the United Nations Sustainable Development Cooperation Framework 2026–2030 and UN-Habitat Strategic Plan 2026-2029.

### **Purpose of Workshop**

In line with Adaptation Fund requirements, the inception workshop marks the formal start of implementation. It will:

- present the project to key national and local stakeholders;
- align core stakeholders on immediate next steps.

Given the ongoing Cabinet review, MENR and UN partners propose a focused technical virtual inception for core implementing partners in line with donor requirements, with a subsequent physical/hybrid launch after Cabinet endorsement for broader outreach to technical partners, civil society, private sector, media and the wider public.

### **Expected Outcomes**

1. Develop a shared understanding of the project’s objectives, components, target areas, ToC, implementation and reporting requirements.
2. Clarify governance and coordination arrangements including roles and responsibilities.
3. Firm up contact points for subsequent national and sub-national coordination.

### **Post Inception Follow-up**

Following the workshop, UN-Habitat in collaboration with UNEP, IOM, MENR, and SCUPA will:

- Circulate a summary note and agreed action points to all participants;
- Finalise the Project Inception Report for submission to the Adaptation Fund and circulation among core stakeholders
- Firm up ToR for PAC and confirm focal points for core stakeholders
- Prepare a proposal for the physical/hybrid formal launch event to be held after Cabinet approval

### National Government Participants

Title	Name	Entity	Designation
Ms.	Umayra Taghiyeva	MENR	Deputy minister
Mr.	Emin Garabaghli	MENR	Head of Division
Mr.	Yashar Karimov	MENR	Head of Division
Mr.	Toghrul Feyyev	MENR	Advisor
Mr.	Akbar Asgarov	MENR	Deputy Head of NHS
Mr.	Bashir Asadli	MoES	Head of Division
Mr.	Zaur Mailov	MoES	Head advisor
Mr.	Shahriyar Hatamov	MoES	Head of Division under MoES
Mr.	Miri Vugar	MoES	Head of Division under MoES
Mr.	Vagif Valiyev	MoES	Specialist
Ms.	Shahnaz Badalova	SCUPA	Deputy Head of Division
Ms.	Masma Hasanzada	SCUPA	Advisor
Mr.	Chagri Karimzada	SCUPA	Acting head of division
Ms.	Aysel Karimli	SCUPA	Head of sub-division
Ms.	Aysel Huseynzada	SCUPA	Head Advisor
Ms.	Sevinj Guliyeva	ADSEA	Deputy Head of Division
Mr.	Nijat Pashayev	ADSEA	Head Advisor
Mr.	Burjalı Aghayev	Neftchala EP	Deputy EP
Mr.	Mirhasan Hasanov	Baku EP	Head Advisor
Mr.	Azer Bakhsiyev	Astara EP	Advisor

### UN System Participants

Title	Name	Entity	Office (Duty Station)	Designation
Ms.	Katja Schaefer	UN-Habitat	Headquarters (Nairobi)	Regional Advisor
Ms.	Anna Soave	UN-Habitat	Azerbaijan Country Office (Baku)	Head of Azerbaijan Programme
Mr.	Runze Wang	UN-Habitat	Azerbaijan Country Office (Baku)	Programme Manager
Mr.	Mahir Aliyev	UNEP	Europe Office (Geneva)	Regional Coordinator
Ms.	Leila Urekenova	UNEP	Europe Office (Geneva)	Governance and Protocols Officer
Mr.	Mateusz Benko	UNEP	Europe Office (Geneva)	Tehran Convention Officer
Mr.	Lars Lonnback	IOM	Regional Office (Tbilisi)	Chief of Mission
Mr.	Soumyadeep Banerjee	IOM	Regional Office (Tbilisi)	Regional Technical Specialist
Mr.	Anar Iskandarov	IOM	Azerbaijan Country Office (Baku)	Project Coordinator
Mr.	Mahammad Ibrahimov	IOM	Azerbaijan Country Office (Baku)	Project Assistant

### Contact

- Runze Wang, Programme Manager, UN-Habitat AZE, [runze.wang@un.org](mailto:runze.wang@un.org)
- Toghrul Feyziyev, Advisor, MENR, [t.feyzili@eco.gov.az](mailto:t.feyzili@eco.gov.az)



# BUILDING CLIMATE-RESILIENT CITIES & COMMUNITIES IN AZERBAIJAN

**Virtual Inception Workshop**  
Thursday 15 January 2026



**MODERATOR**

**Anna Soave**

Head of UN-Habitat AZE (Baku)



# OPENING REMARKS

**Umayra Tagiyeva**

Deputy Minister  
Ministry of Ecology  
& Natural Resources



# INTRODUCTORY REMARKS

**Katja Schaefer**  
Inter-Regional Advisor  
UN-Habitat HQ (Nairobi)



# PROJECT OVERVIEW

**Runze Wang**

Programme Manager  
UN-Habitat AZE (Baku)

# VERTICAL CLIMATE FUNDS

## Adaptation Fund



Dimension	GEF Global Environment Facility	AF Adaptation Fund	GCF Green Climate Fund
Year & occasion of establishment	1992 Rio Earth Summit	2001 COP7 in Marrakech, Morocco	2010 COP16 in Cancun, Mexico
Headquarters	Washington (Hosted by WB)	Washington (Hosted by WB)	Incheon, Korea
Core mandate	Broad: climate, biodiversity, land, etc.	Adaptation	Mitigation & adaptation
Operation in Azerbaijan	Under negotiation through <b>FAO</b>	Ongoing through <b>UN-Habitat, UNEP &amp; IOM</b>	Ongoing through <b>UNEP</b>



## Milestones

### Preparatory Phase

- 2019** Pre-concept on 'Urbanisation and Climate Change Adaptation In the Caspian Sea Region'
- 2024** Project proposal 'Building Climate Resilient Cities and Communities in Azerbaijan' endorsed by Adaptation Fund Board at its 43rd meeting; Support Letters from MENR & SCUPA
- 2025** Funding Released; Cabinet Review Initiated; UN to UN Agreements signed; UN Project Team established

### Implementation Phase

**Coincides with the Sustainable Development Cooperation Framework 2026-2029 (Outcome 2 on Climate Resilience) signed by UN and Gov of AZE**

- 2026** Virtual Inception Workshop; Cabinet Process - Project Formal Launch
- 2027** Project Implementation – Year 2
- 2028** Project Implementation – Year 3
- 2029** Project Implementation – Final Year

# 'BUILDING CLIMATE RESILIENT CITIES AND COMMUNITIES IN AZERBAIJAN'

3 UN Agencies | 4 Years | USD 10 Million



# EXPECTED RESULTS



Capacity | Socio-economics | Resilience | Inclusion



Improved **institutional capacities** for climate adaptation



Reduction in climate-induced socio-economic **vulnerabilities**



Strengthened **resilience** at national and local levels



Enhanced **community engagement** and gender **inclusion**

# EXPECTED OUTCOMES



## 3 Main Components



### National & Local Level

**Capacity  
Building**



### Local Level

**Implementation  
Climate  
Adaptation  
Projects**

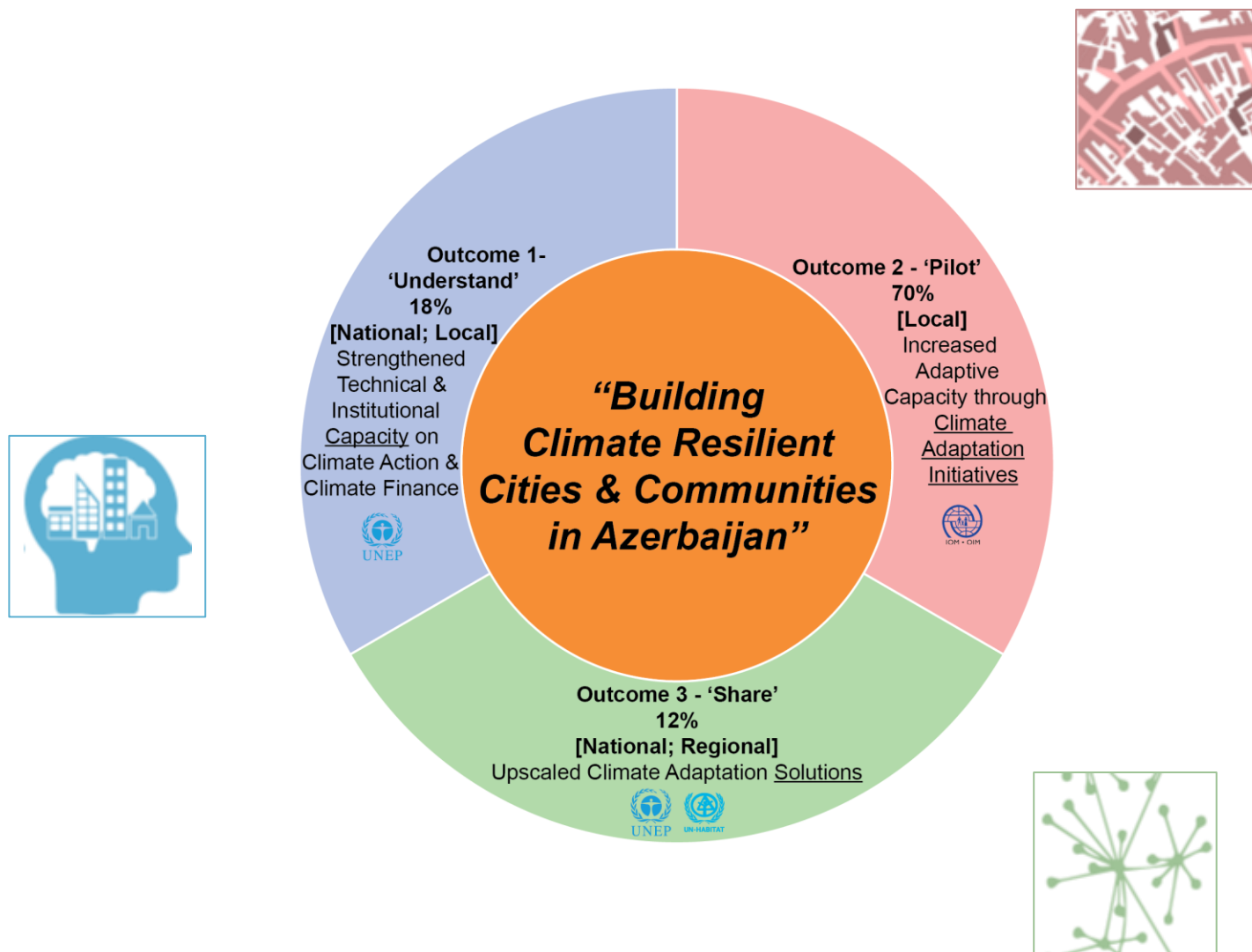


### Upscaling

**Scale-up Solutions  
& Experience  
Sharing**

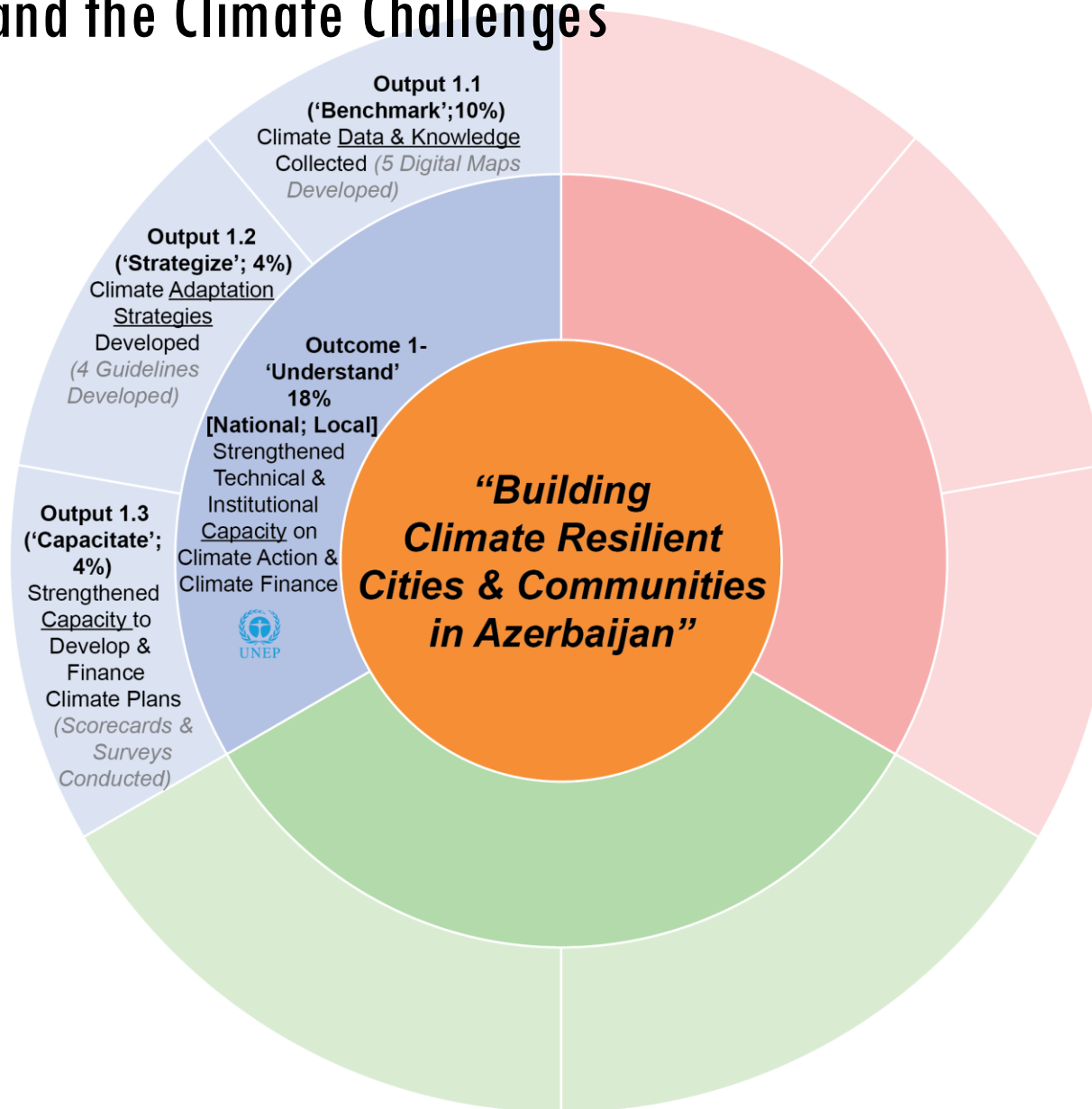
# RESULT FRAMEWORK & RESOURCE ALLOCATION

3 Outcomes — Purpose; Budgetary Proportions; Level of Impacts; Expected Outcomes



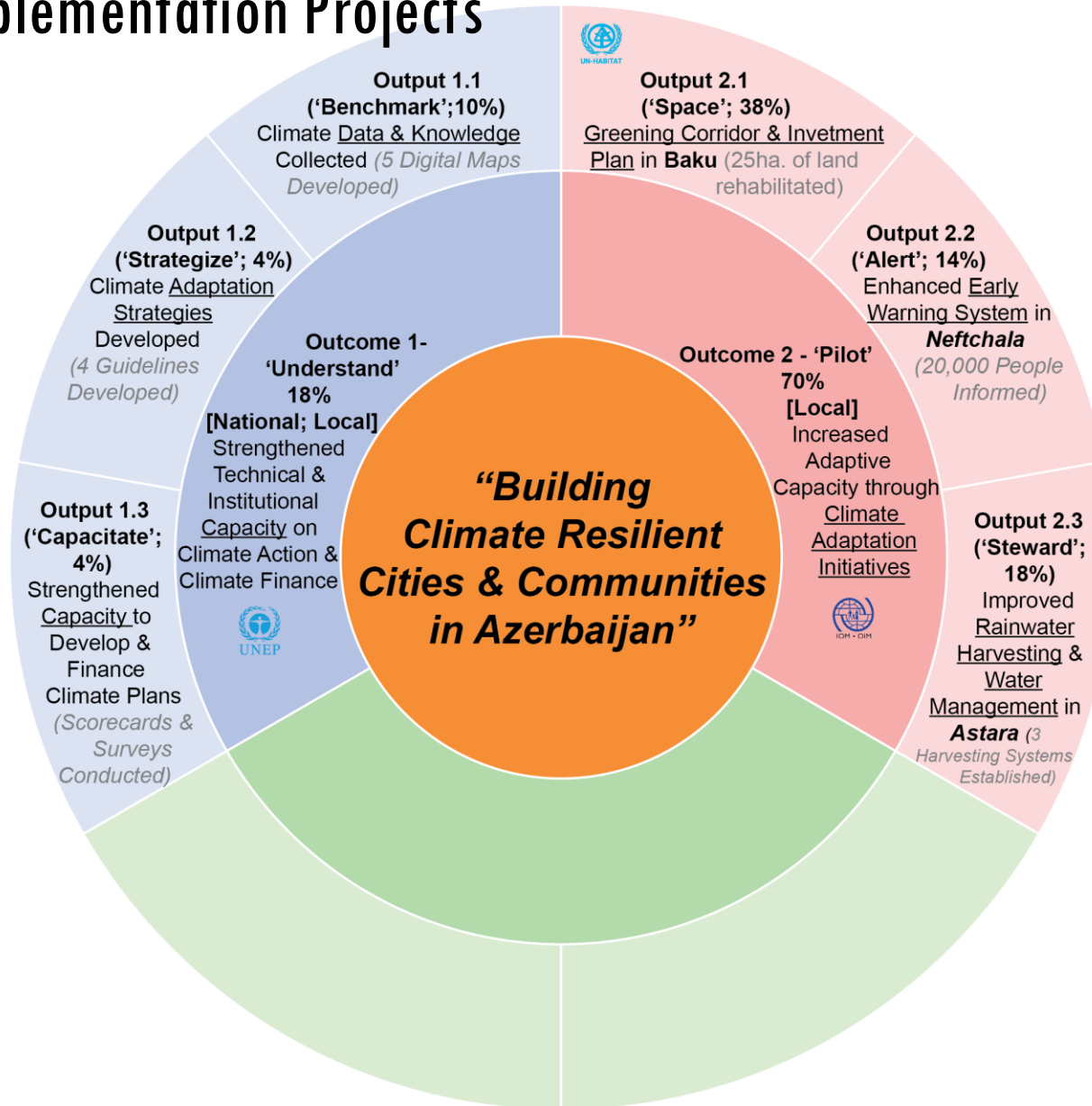
# OUTPUT/ACTIVITY LEVEL

## Outcome 1 – To Understand the Climate Challenges



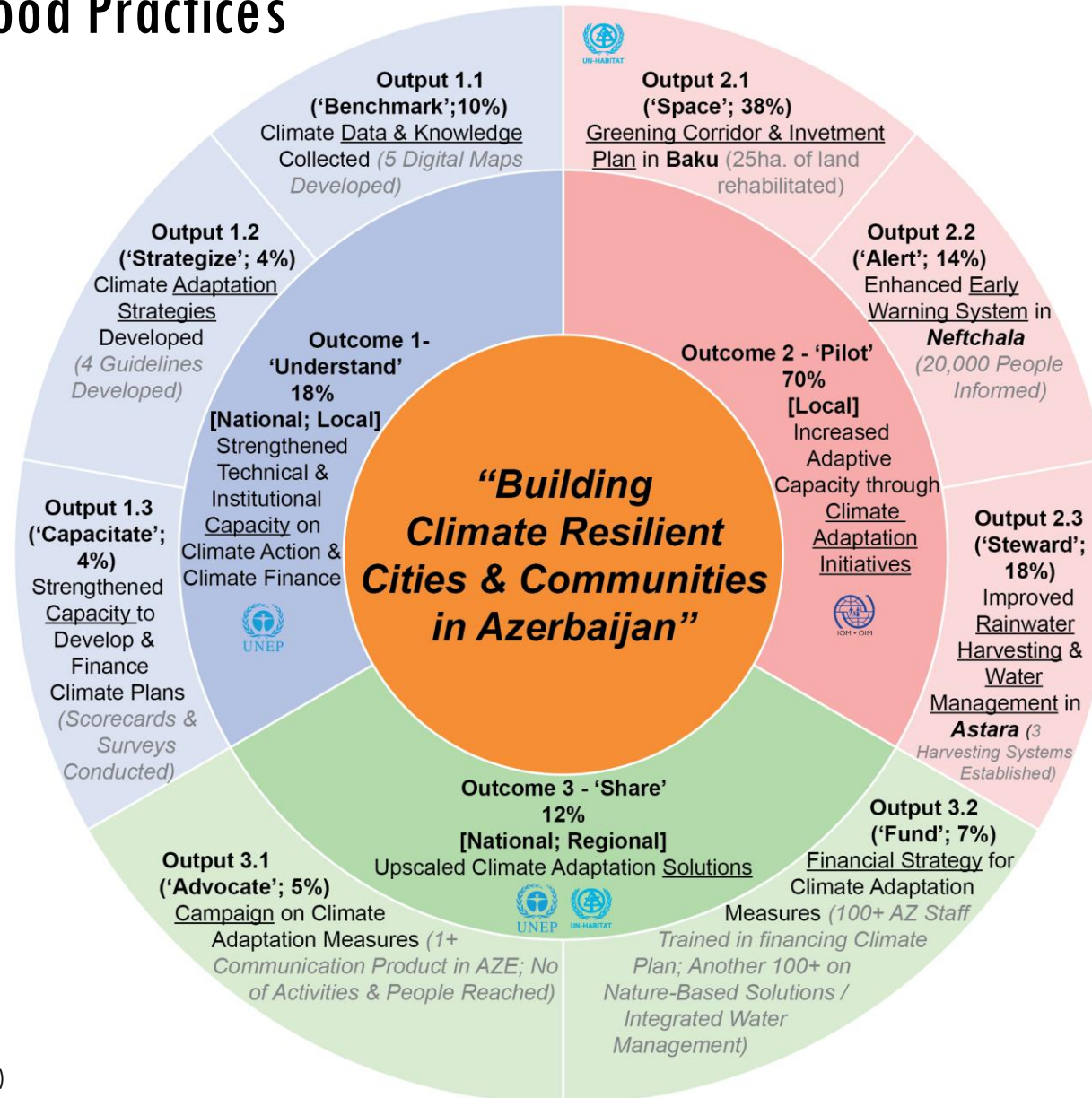
# OUTPUT/ACTIVITY LEVEL

## Outcome 2 – To Pilot Implementation Projects



# OUTPUT/ACTIVITY LEVEL

## Outcome 3 – To Share Good Practices



# LOGO DERIVED FROM RESULT FRAMEWORK



ZERO DRAFT



## 3 Pilot Implementation Areas

### 1. Baku

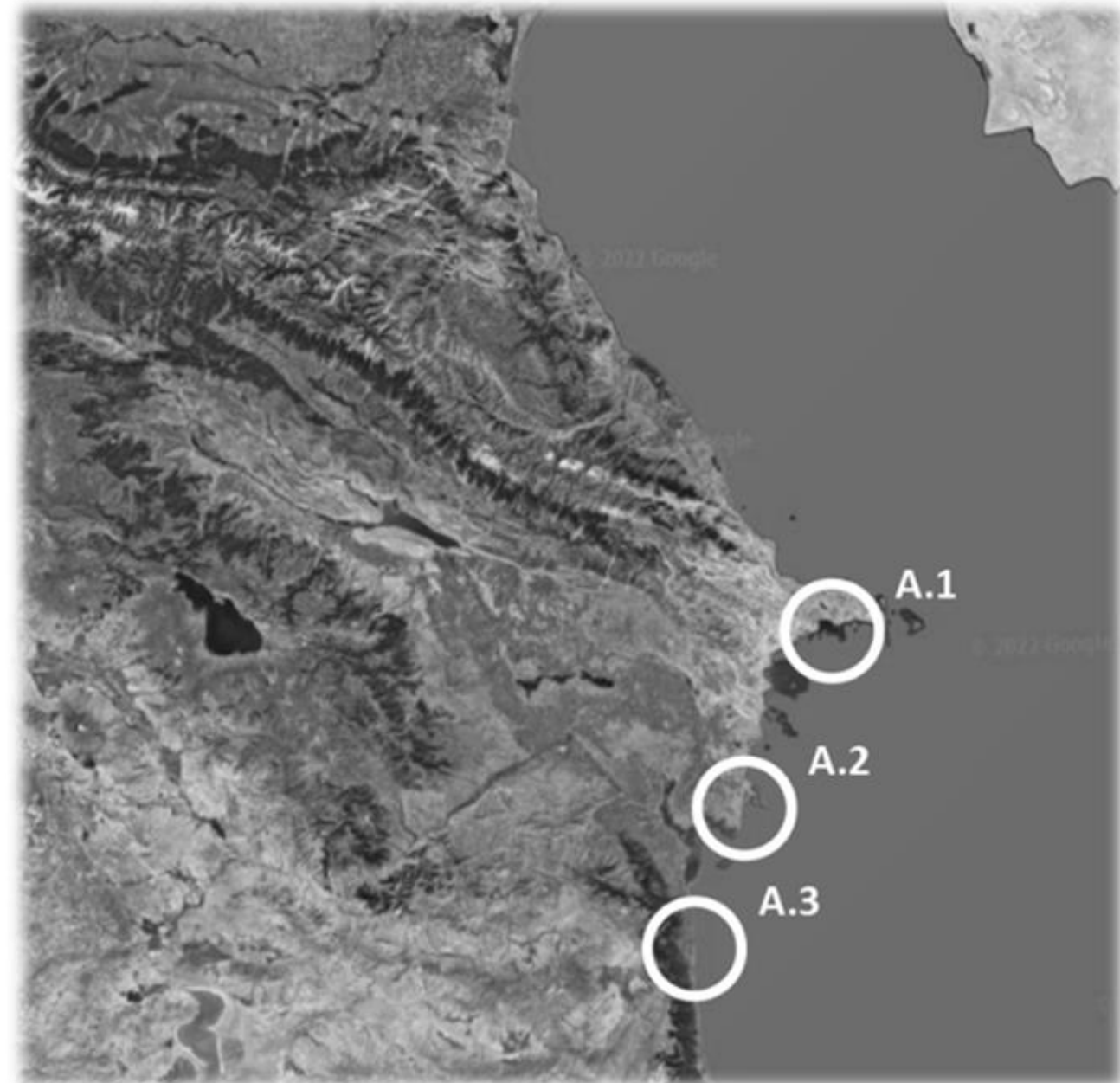
Greening of an **urban corridor**  
(through Nature-Based Solutions)

### 2. Neftchala

Enhancing **sea & river level early warning system** through  
community-based solutions

### 3. Astara

Improving **water security and management** through **rainwater harvesting**

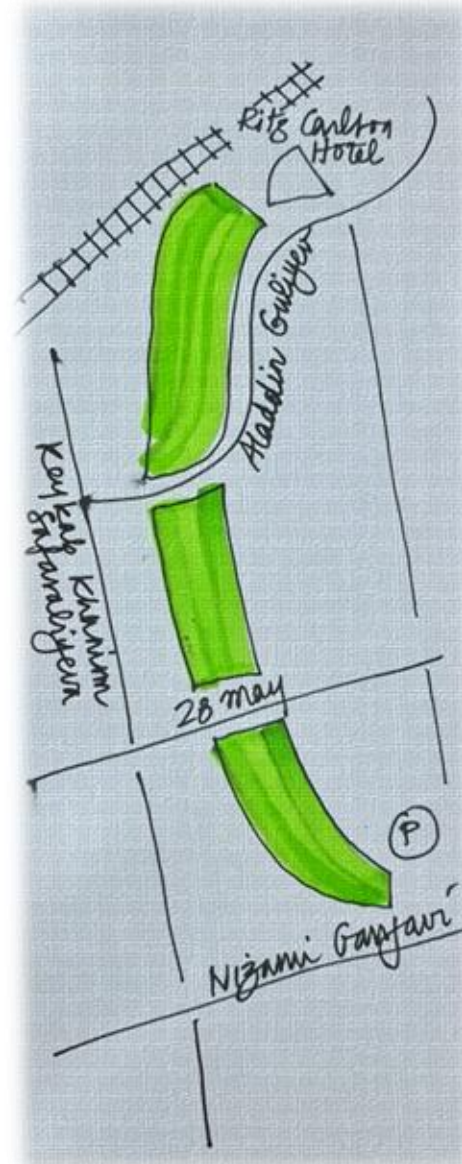


# BAKU - GREENING OF AN URBAN CORRIDOR



## Multifunctional Green Space | 'Rain Parks' | Integrated Utility Corridors

- **WHY**  
Urban Heat Island + Flooding and Water Management
- **WHAT**  
25 Hectares former railway  
→ Multifunctional green space
- **HOW**  
AF funded demonstration project + blended finance & private sector + WUF13 legacy project



Part 2 of Mirveysi + Şahin koridoru - Part 2





## Compliance & Guidelines

### Complies with:

- Azerbaijan's National Law and Standards
- Adaptation Fund Environmental and Social Policy and Gender Policy
- UN-Habitat's Environmental and Social Safeguards System (ESSS)



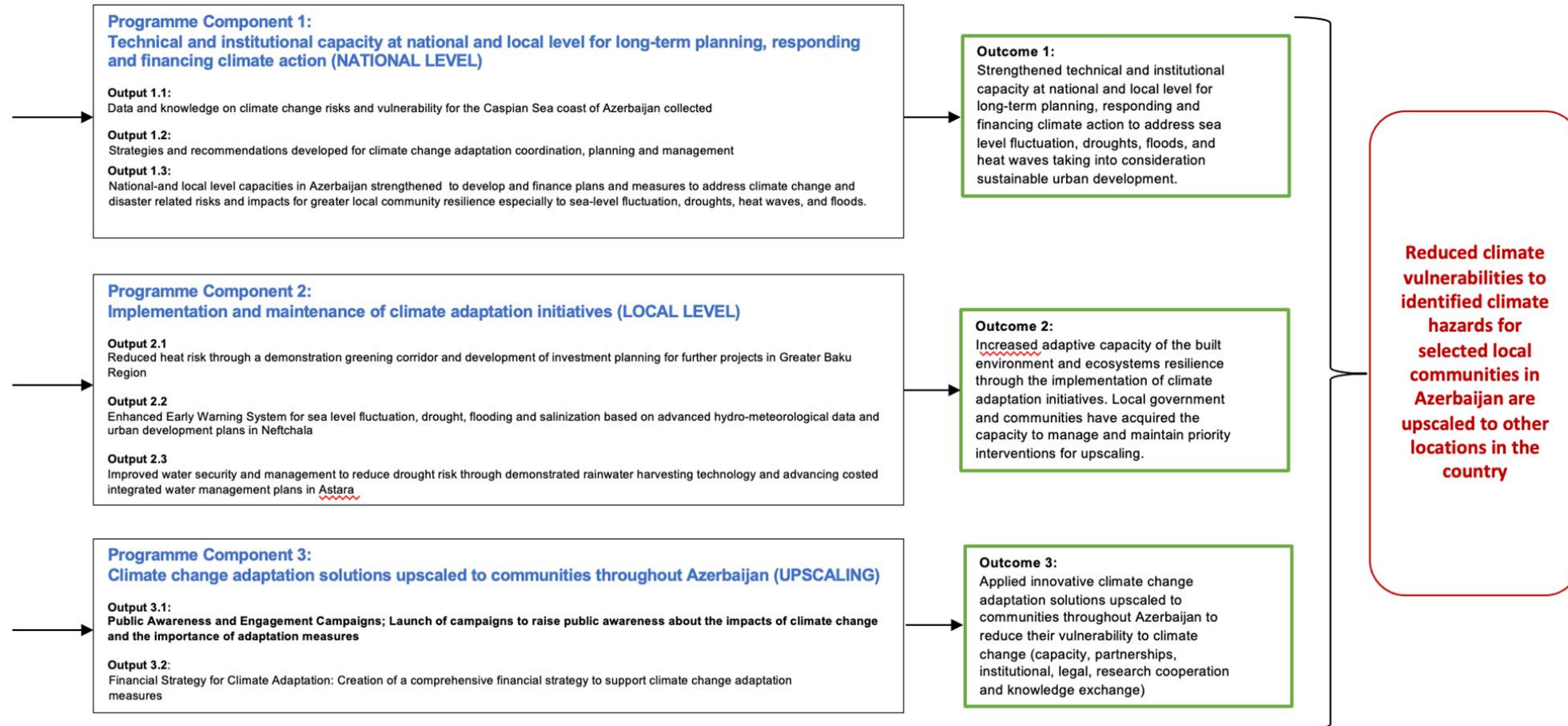
Scan for Project Proposal

### Guidelines in place:

- Measures for Environmental and Social Risk Management (IIIC of Project Proposal)
- Environmental and Social Risk Screening, Impact Assessment, Environmental and Social Management Plan (ANNEX 6)
- Gender Baseline Assessment in Compliance with the Gender Policy of the Adaptation Fund (ANNEX 7)



**Risks:** National level: changes in political dynamics or institutional personnel often result in lack of follow up and nonimplementation of plans and policies; changing priorities in the planning system result in adaptation getting lower priority; decision makers will not apply the new ICZM guidelines/ recommendations priorities decrease focus on building capacity on climate change; staff move on to new posts, once trained; personnel changes mean training/ resultant capacity is not retained. Local level: personnel or institutional changes result in poor participation at meetings; personnel changes mean training/ resultant capacity is not retained; general public are not interested to learn more about behaviour change reduce water consumption; delays in final approval of master plan; delay in implementing infrastructure; delays in planting as a result of waiting for optimal planting season; delays in obtaining materials for rainwater harvesting and stormwater drainage systems; delays in the construction process of social housing project.





# OPEN DISCUSSION

**Mahir Aliyev**  
Regional Coordinator  
UNEP Europe Office (Geneva)



# AF REPORTING REQUIREMENTS & PROGRAMME ADVISORY COMMITTEE (PAC)

**Core Stakeholders  
Composition & Modality  
Term of Reference**

## Milestone/Reporting/Evaluation & Auditing

Date / Timeline	Milestones / Events	Significance
<p><b>15 Jan 2026</b></p>	<p><b>Virtual Inception Workshop</b></p> <p><i>"For single/regional projects/programmes the Board decided to define the start date the first day of the project/programme's inception workshop (Decision B.18/29)."</i></p>	<p><b>Milestone: Official Start of Project</b></p>
<p><b>15 February 2026</b></p> <p>+1 mo.</p>	<p><b><u>'Project Inception Report (PIR)</u></b></p> <p><i>"Agreement between AF &amp; UNH: 7 (a) -An inception report submitted to the secretariat no later than one (1) month after the inception workshop has taken place."</i></p>	<p><b><u>Records &amp; Reporting</u></b></p>
<p><b>15 January 27/8/9/10</b></p> <p>+12/24/36 mos. (max + 2 mos.)</p>	<p><b><u>Annual Project Performance Report (PPR)</u></b></p> <p><i>"Agreement between AF &amp; UNH: 7 (b) -Annual Project Performance Reports (PPR) on the status of the Project implementation, including the disbursements made during the relevant period and net investment income earned from the Grant funds and the associated expenditures, or more frequent progress reports if requested by the Board. The PPR shall be submitted on a yearly basis one (1) year after the start of Project implementation and no later than two (2) months after the end of the reporting year"</i></p>	<p><b><u>Records &amp; Reporting: Annual Reports * 4</u></b></p>
<p><b>15 July 2028</b></p> <p>+30 mos.</p>	<p><b><u>Mid-term Evaluation by Independent Evaluator</u></b></p> <p><i>"Agreement between AF &amp; UNH: 7 (c) - A mid-term evaluation, prepared by an independent evaluator selected by the Implementing entity for any Project that is under implementation for over four (4) years; the mid-term evaluation should be submitted to the Fund Secretariat within six (6) months of the mid-point of Project implementation"</i></p>	<p><b><u>Evaluation &amp; Auditing: Mid-term External Evaluation</u></b></p>



## Milestone/Reporting/Evaluation & Auditing

Date / Timeline	Milestones / Events	Significance
<p><b>15 July 2029</b></p> <p>+42 mos.</p>	<p><b><u>[Optional] Request for Extension</u></b></p> <p><i>'The request for extension should be submitted no later than <u>six (6) months</u> before the expected project/programme completion date.'</i></p>	<p><b>Records &amp; Reporting:</b> <b><u>Extension in case necessary</u></b></p>
<p><b>15 January 2030</b></p> <p>+48 mos. (max + 6 mos.)</p>	<p><b><u>Last PPR / Project Completion Report</u></b></p> <p><i>'The last PPR can be submitted within <u>six (6) months</u> after project/programme completion'.</i></p>	<p><b>Records &amp; Reporting:</b> <b><u>Final PPR or Completion Report</u></b></p>
<p><b>15 July 2030</b></p> <p>+54 mos. (Max +X months, depending on the number of months remaining between the project completion date and 31 December)</p>	<p><b><u>Final Audited Financial Statement by Independent Auditor</u></b></p> <p><i>"<b>Agreement between AF &amp; UNH: 7 (f)</b> - A final audited financial statement of the Implementing Entity Grant Account including net investment income earned, prepared by an independent auditor or evaluation body, within <u>six (6) months</u> of the end of the Implementing Entity's financial year during which the Project is completed.</i></p>	<p><b>Evaluation &amp; Auditing:</b> <b><u>Final Financial Audit</u></b></p>
<p><b>15 October 2030</b></p> <p>+ 57 mos.</p>	<p><b><u>Final Evaluation Report by Independent Evaluator</u></b></p> <p><i>"<b>Agreement between AF &amp; UNH: 7 (e)</b> - A final evaluation report prepared by an independent evaluator selected by the Implementing Entity. The final evaluation report shall be submitted within <u>nine (9) months</u> after Project completion. <u>Copies of these reports shall be forwarded by the Implementing Entity to the Designated Authority for information</u>"</i></p>	<p><b>Evaluation &amp; Auditing:</b> <b><u>Final External Evaluation</u></b></p>



## Core Stakeholders

Overseen & Technically Guided  
by 2 Governmental Institutions

Azərbaycan Respublikası  
Ekologiya və Təbii Sərvətlər  
Nazirliyi

**MENR - Designated Authority**

State Committee on  
Urban and Architecture of the  
Republic of Azerbaijan (SCUPA)

**SCUPA - Technical Support**

Supported by  
5 Governmental Institutions

Ministry of Emergency  
Situations of Azerbaijan

**MoES - Core Stakeholder**

AZƏRBAYCAN  
DÖVLƏT SU EHTİYATLARI  
AGENTLİYİ

**ADSEA - Core Stakeholder**

City & Districts  
Executive Power

**Baku/Neftchala/Astara  
Core Stakeholders**

Jointly Implemented by  
3 UN Agencies

UNEP

**Executing Entity**

UN-HABITAT

**Implementing Entity**

IOM • OIM

**Executing Entity**



## Term of Reference – Proposed Composition & Working Modality

**Co-chaired:** MENR & UN-Habitat

**Members:** MENR, SCUPA, MoES, ADSEA  
Target city/districts (Baku, Neftchala, Astara),  
UN-Habitat, UNEP, IOM  
Selected academia, civil society and private sector representatives

**Secretariat:** UN-Habitat

**Modality:** Meets (virtually/physically) at least twice a year



## Term of Reference – Proposed Key Functions

1. Provide **overall strategic and implementation guidance** to the project and ensure alignment with national climate and urban policies.
2. Review and advise on annual **workplans**, progress **reports** and key technical **deliverables**. Recommend **upscaling** of successful approaches.
3. Ensure compliance with **Environmental & Social Policy** and **Gender Policy**
4. Facilitate **coordination** among national institutions, cities and UN agencies, and broker partnerships to support replication and upscaling.
5. Support **visibility** of project achievements through strategic events and advocacy opportunities.



## Upcoming Opportunities in Baku

12-14 March

**8<sup>th</sup> Global Baku Forum (By NGIC)**

April

**UNESCAP 28th Annual Meeting**

May

**Changes in the Caspian Sea level**

10-16 May

**Baku Urban Week**

17-22 May

**13th World Urban Forum (E.g. 'One UN' Event)**

5 June

**World Environment Day**



# OPEN DISCUSSION

**Lars Lonnback**  
Chief of Mission  
IOM Regional Office (Tbilisi)



# SUMMARY OF KEY DISCUSSION & WAY FORWARD

**Anna Soave**

Head of UN-Habitat AZE (Baku)



# CLOSING REMARKS

Representative of  
Ministry of Ecology and  
Natural Resources

## Contact

- **Runze Wang**, Programme Manager, UN-Habitat, [runze.wang@un.org](mailto:runze.wang@un.org)
- **Toghrul Feyziyev**, Advisor, MENR, [t.feyzili@eco.gov.az](mailto:t.feyzili@eco.gov.az)



[www.unhabitat.org](http://www.unhabitat.org)

**WORLD  
URBAN  
FORUM**  
THIRTEENTH SESSION



BAKU, AZERBAIJAN | 17-22 MAY 2026

<https://wuf.unhabitat.org>



## **Meeting Notes – Virtual Inception Workshop**

**Project:** “Building Climate-Resilient Cities and Communities in Azerbaijan”

**Date:** Thursday, 15 January 2026

**Time:** 11:00–12:20 (Baku time)

**Modality:** Virtual (Zoom)

**Language:** English with simultaneous interpretation into Azerbaijani

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### **1. Objective of the Workshop**

- To mark the official start of implementation of the Adaptation Fund–financed project “Building Climate-Resilient Cities and Communities in Azerbaijan”.
  - To present the project’s objectives, components, pilot interventions and institutional arrangements to core national and local stakeholders.
  - To clarify the proposed governance structure, in particular the Programme Advisory Committee (PAC), and the reporting requirements to the Adaptation Fund.
  - To initiate a first round of technical feedback from national counterparts and local authorities on the three pilot locations (Greater Baku, Neftchala and Astara).
- 

### **2. Participants**

**Government (national and local)** – as reflected during the meeting and in the circulated participant list (Zoom chat):

- Ministry of Ecology and Natural Resources (MENR) – Designated Authority and convener.
- Ministry of Emergency Situations (MoES).
- State Committee on Urban Planning and Architecture (SCUPA).
- Azerbaijan State Water Resources Agency (ADSEA).
- Executive Powers of Baku, Neftchala and Astara.

#### **United Nations**

- UN-Habitat: Headquarters (Regional Advisor), Azerbaijan Country Office (Head of Programme, Programme Manager).
- UNEP: Europe Office (Regional Coordinator and colleagues).
- IOM: Regional Office.

The Deputy Minister of Ecology and Natural Resources delivered opening remarks and participated in the first part of the meeting.

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### **3. Opening Segment**

#### **Opening Remarks – MENR**

The Deputy Minister highlighted:

- The Caspian Sea region is already experiencing significant climate impacts, including pollution, ecosystem degradation and a worrying decline in the water level of the Caspian Sea, which has become a major national policy concern.
- Azerbaijan has been actively promoting regional cooperation, including through the 2020 Caspian Sea Summit (Ashgabat) and follow-up technical work culminating in a declaration on actions to be taken by Caspian littoral States.

- A national climate sensitivity index and an adaptation plan have been prepared and submitted in the context of COP29; the project is expected to support implementation of agreed adaptation measures.
- The project’s focus on coastal protection, effective rainwater management and biodiversity will help reduce human impact on the Caspian environment and strengthen climate resilience of coastal communities.
- The project will share outcomes through the Caspian Environmental Information Centre and further enhance cooperation among Caspian countries.
- The Deputy Minister drew attention to major upcoming urban events in Baku and expressed hope that participation in these processes will open new perspectives for cooperation.

The Deputy Minister wished participants a successful and productive inception meeting.

### **Housekeeping and Photos**

- The moderator (Head of UN-Habitat Azerbaijan) invited all participants to turn on cameras briefly for a group screenshot.
- The Programme Manager confirmed that snapshots and the full recording were being captured for documentation purposes.

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## **4. Introductory Remarks – UN-Habitat (Regional Advisor)**

The Regional Advisor underlined:

- Strong appreciation to the Adaptation Fund for supporting a project that targets some of the most affected communities along the Caspian Sea shore.
- The project is a joint effort of three UN entities – UN-Habitat, UNEP and IOM – and is thus an important example of “One UN” cooperation in the climate adaptation space.
- The three components combine:
  - Policy support and capacity development at national and local level, including awareness-raising on climate issues and resilience.
  - Local adaptation measures focusing on livelihoods, biodiversity and infrastructure in Greater Baku, Neftchala and Astara.
  - Replication and upscaling measures to sustain and extend results beyond the project lifetime.
- The project is fully aligned with the United Nations Sustainable Development Cooperation Framework (UNSDCF) 2026–2030, particularly the climate resilience outcome, as well as national urban and climate adaptation priorities.

She stressed that, given Azerbaijan’s active role in multilateral processes and climate diplomacy, the project has the potential to deliver scalable, people-centred climate-resilient outcomes that can inspire other countries in the region and globally.

---

## **5. Project Overview – UN-Habitat Azerbaijan (Programme Manager)**

The Programme Manager presented the background, design and key features of the project.

### **5.1 Background and Timeline**

- The project builds on the evolution of global climate finance mechanisms, including:
  - Global Environment Facility (GEF).

- Adaptation Fund (AF).
- Green Climate Fund (GCF).
- Initial work started in 2019 as a regional concept note on “Urbanisation and Climate Change Adaptation in the Caspian Sea Region”, involving Azerbaijan and Iran.
- Following a change in direction by the Adaptation Fund Board, the proposal was redesigned as a single-country programme focused on Azerbaijan and was endorsed by the Board in 2024.
- Funding of USD 10 million was approved, and UN-to-UN agreements between UN-Habitat, UNEP and IOM have been signed; the project team has been established and the project is now in its inception phase.

The project timing aligns with the new UNSDCF 2026–2029 (particularly Outcome 2 on climate resilience), co-signed by the Government of Azerbaijan and the UN in December 2025.

## 5.2 Overall Objective and Expected Outcomes

The project aims to “build climate-resilient cities and communities in Azerbaijan” by:

- Improving institutional capacities for climate adaptation at national and local levels.
- Reducing climate-induced socio-economic vulnerability, particularly in coastal and low-lying areas.
- Strengthening resilience of communities and systems through integrated planning and targeted interventions.
- Enhancing community engagement and gender inclusion in climate adaptation actions.

## 5.3 Components, Budget Shares and Roles

The Programme Manager outlined three components and their indicative budget allocations:

1. **Component 1 – Capacity Development and Policy Support (~18% of budget)**
  - Focus: Understanding the climate context and strengthening institutional and technical capacity at national and local levels on climate action and climate finance.
  - Outputs include:
    - Collection of climate data and knowledge, and production of digital maps (Output 1.1).
    - Development of climate adaptation strategies and guidelines (Output 1.2).
    - Strengthened capacity to develop and finance climate plans and scorecards (Output 1.3).
  - Lead agency: UNEP (in close coordination with MENR and UN-Habitat).
2. **Component 2 – Local Adaptation Interventions (Pilot Projects)**
  - Focus: Demonstration projects in three locations:
    - **Greater Baku:** Greening of urban corridors using primarily nature-based solutions to reduce urban heat island effects, improve flood and rainwater management and create inclusive public space. The pilot area is linked to a former railway corridor identified with Baku Executive Power and SCUPA.
    - **Neftchala:** Strengthening early warning systems and community-based solutions in the context of declining water levels and salinisation in the Kura River delta.

- **Astara:** Improving water security and management through rainwater harvesting on public buildings and watering facilities for public spaces.
  - The component includes vocational training and livelihood support so that local communities can benefit from new skills and job opportunities created by the interventions.
  - Lead agency: IOM, with strong technical contribution from UN-Habitat on urban and spatial aspects.
- 3. **Component 3 – Replication and Upscaling (~12% of budget)**
  - Focus: Capturing lessons learned, disseminating good practices and developing strategies for replication and scaling up effective climate adaptation solutions at national and transnational levels.

#### 5.4 Environmental, Social and Gender Safeguards

- The Programme Manager confirmed adherence to:
  - Azerbaijan’s national legal and regulatory framework.
  - Adaptation Fund Environmental and Social Policy and Gender Policy.
  - UN-Habitat’s Environmental and Social Safeguards System (including risk screening and gender baseline assessment).
- Related guidelines and annexes are included in the project documentation and were made accessible via QR code during the presentation.

#### 5.5 Link to Upcoming Events in Baku

The project team highlighted several upcoming events that could serve as platforms for visibility, partnerships and upscaling, including the Global Baku Forum, UNESCAP’s annual meeting, a conference on Caspian Sea level changes, Baku Urban Week, the 13th World Urban Forum (WUF13, with a proposed One UN event) and World Environment Day celebrations in Baku.

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### 6. Remarks by UNEP – Integrated Approach and Sustainability

The Regional Coordinator of UNEP stressed:

- The importance of an *integrated* approach: the project connects the State with local communities living along the Caspian shore through coherent planning systems, policies and mechanisms.
- Component 3 is essential to ensure sustainability and continuity of efforts beyond the project lifetime.
- The need to carefully coordinate with other ongoing and planned initiatives (e.g. a separate GEF-supported early warning project) to avoid overlaps and maximise synergies. Any adjustments to the design must be well justified and transparently communicated to the Adaptation Fund.

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### 7. Remarks by IOM – Migration Dimensions and Oversight

The Chief of Mission of IOM’s Regional Office highlighted:

- The strong interest of IOM in the project’s cross-border and mobility-related dimensions, particularly in preventing situations where people are forced to migrate out of necessity due to climate impacts.
- The value of addressing root causes of climate-induced migration and making migration a choice rather than a necessity.

- The importance of robust oversight and engagement mechanisms for a multi-year project, ensuring:
  - All relevant ministries, agencies and local authorities are involved.
  - Feedback loops with affected populations inform project relevance and effectiveness.

---

## 8. Programme Advisory Committee (PAC) and AF Reporting Requirements

The Programme Manager presented the proposed governance and reporting arrangements.

### 8.1 Adaptation Fund Reporting Milestones

Key milestones as per Adaptation Fund requirements were recalled:

- **Inception Report:**
  - To be submitted to the AF Secretariat within one month of the inception workshop (i.e. by mid-February 2026).
- **Annual Project Performance Reports (PPRs):**
  - To be prepared and submitted on a yearly basis, starting one year after the inception date, for four reporting cycles.
- **Mid-Term Evaluation:**
  - To be conducted by an independent evaluator after approximately 2.5 years of implementation (tentatively July 2028).
- **Project Completion:**
  - Final PPR in January 2030, which also serves as the completion report.
  - Independent financial audit and final evaluation report to be submitted in the same year.

### 8.2 Proposed PAC Composition and Modality

The proposed PAC is intended as the key strategic governance mechanism for the project.

The Programme Manager outlined the following:

- **Designated Authority:**
  - MENR, as appointed by the AF Secretariat, oversees the project and provides technical support throughout.
- **Implementing / Lead Entity:**
  - UN-Habitat.
- **Executing Entities:**
  - UN-Habitat, UNEP and IOM.
- **Proposed Membership:**
  - MENR.
  - SCUPA.
  - MoES.
  - ADSEA.
  - Executive Powers of Baku, Neftchala and Astara.
  - UN-Habitat, UNEP and IOM.
  - Additional representatives from academia, civil society and the private sector, to be recommended by stakeholders.
- **Co-Chairing:**
  - Co-chaired by MENR and UN-Habitat, reflecting both national ownership and UN system support.
- **Secretariat:**
  - UN-Habitat.

- **Working Modality:**
  - To meet at least twice a year, virtually or in person, with the possibility of more frequent meetings as needed.

### **8.3 Key Functions Proposed for the PAC**

The following functions were proposed for the PAC:

1. Provide overall strategic and implementation guidance to ensure alignment with national climate and urban policies.
2. Review and advise on annual workplans, progress reports and key technical deliverables, including recommendations for upscaling successful approaches.
3. Ensure compliance with environmental, social and gender policies of the Adaptation Fund and UN-Habitat.
4. Facilitate coordination among national institutions, cities and UN agencies, and broker partnerships to support replication and upscaling.
5. Support stakeholder engagement, communication and visibility of project results (indicative function referenced in the discussion).

Participants were invited to comment on the proposed structure, membership and terms of reference, and to suggest additional members from academia, civil society and the private sector.

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## **9. Discussion – Pilot Locations, Policy Alignment and Next Steps**

### **9.1 Alignment with National Policy and Legal Frameworks**

In response to a question about how the project will reflect new policies and legal instruments developed since the proposal's submission in 2024, the moderator clarified:

- The project proposal is fully compliant with existing national frameworks and was submitted prior to some of the most recent developments.
- The Cabinet review is still ongoing; the actual implementation, including formal consultations and detailed design of activities, will be launched once national endorsement is finalised.
- During this next phase, the project team will ensure that the latest strategies, action plans and laws are thoroughly reviewed and integrated into project strategies and cooperation modalities with the relevant entities.

### **9.2 Rationale for Pilot Locations and Need for Context-Specific Adjustments**

The moderator provided further background on the choice of the three pilot locations and the type of interventions:

- **Astara:**
  - The focus on rainwater harvesting for public buildings and related facilities for public spaces emerged from joint discussions with the local Executive Power and was endorsed by MENR in the project submission.
- **Neftchala:**
  - The early warning system was selected in light of water decline and salinisation challenges in the Kura River delta.
  - This will need to be tailored to today's context and coordinated with other early warning initiatives (including those supported by other donors) to avoid duplication and maximise synergy.
- **Greater Baku:**

- At the time of project design, the Baku master plan was under preparation; priority projects were discussed with Baku Executive Power.
- The idea to convert an old railway track into an accessible public park that addresses urban heat island effects and supports city greening was agreed jointly with SCUPA and Baku.
- Since then, some works have already taken place in this area, so adjustments may be required.

She stressed that the design of all three pilots is grounded in analysis of social, environmental and economic impacts, including livelihood opportunities. The project will promote vocational training and job creation through the interventions.

A “natural way forward” proposed from the meeting is to establish smaller technical working groups for each pilot location (Baku, Neftchala, Astara) to:

- Review the proposed interventions in detail.
- Identify any necessary contextual adjustments.
- Clarify roles, responsibilities and timelines at local level.

### **9.3 Integrated Planning and Community Engagement**

Across the interventions, the discussion reiterated:

- The importance of integrated urban and territorial planning to ensure that pilot projects are not standalone but embedded in broader planning and policy frameworks.
- The need for meaningful engagement with local communities, as well as clear communication to the public regarding project benefits, climate risks and opportunities.
- The expectation that the project will actively seek synergies with other initiatives (national, regional and global) addressing climate resilience, coastal management and early warning.

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## **10. Summary, Closing and Immediate Next Steps**

In the closing segment, the moderator and Programme Manager:

- Thanked MENR as Designated Authority for convening and coordinating the workshop, and expressed appreciation to all national and local partners, UN sister agencies, interpreters and technical support staff.
- Noted that the workshop had successfully:
  - Presented the project’s objectives, components and pilot interventions.
  - Introduced the proposed PAC structure and Adaptation Fund reporting requirements.
  - Gathered initial feedback and questions from key government counterparts and local authorities.

The meeting ended on time, with participants expressing thanks and looking forward to continued collaboration.

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## **11. Agreed / Confirmed Follow-Up Items**

Based on the proceedings and the obligations recalled during the workshop, the following immediate follow-up steps were noted:

1. **Project Inception Report**

- UN-Habitat, in collaboration with UNEP, IOM and MENR, to prepare and submit the Project Inception Report to the Adaptation Fund Secretariat within one month of the workshop (by mid-February 2026), reflecting key points raised in the inception discussions.
- 2. **Programme Advisory Committee (PAC)**
  - MENR and UN-Habitat to refine the draft PAC terms of reference, based on comments received.
  - Participating institutions to:
    - Confirm their institutional focal points for the PAC.
    - Provide suggestions for additional members from academia, civil society and the private sector, where relevant.
- 3. **Technical Working Groups for Pilot Locations (Proposed)**
  - UN-Habitat, UNEP and IOM to propose a practical arrangement for three location-based working groups (Greater Baku, Neftchala, Astara), in coordination with the respective Executive Powers and line ministries, to refine design details and ensure alignment with current local conditions and complementary projects.
- 4. **Policy and Legal Alignment**
  - Project team to review and integrate relevant new strategies and legal instruments referenced by national counterparts into the forthcoming workplans and technical studies, in consultation with the responsible entities.
- 5. **Communication and Visibility**
  - UN-Habitat and partners to explore opportunities to profile the project at upcoming national and international events in Baku (e.g. Global Baku Forum, UNESCAP meeting, Caspian Sea conference, Baku Urban Week, WUF13, World Environment Day), in coordination with MENR and other relevant stakeholders.

# SUSTAINABLE DEVELOPMENT COOPERATION FRAMEWORK BETWEEN THE UNITED NATIONS AND THE GOVERNMENT OF THE REPUBLIC OF AZERBAIJAN 2026-2030



GOVERNMENT OF  
THE REPUBLIC OF  
AZERBAIJAN



UNITED NATIONS  
AZERBAIJAN



# Joint Statement

The Government of the Republic of Azerbaijan (hereinafter referred to as “Government of Azerbaijan” or “the Government”) and the United Nations reaffirm their shared commitment to advancing the 2030 Agenda for Sustainable Development through this United Nations Sustainable Development Cooperation Framework (hereafter, Cooperation Framework) for 2026–2030.

This Cooperation Framework marks a new phase in the Azerbaijan–UN partnership. It builds on Azerbaijan’s transition to upper-middle-income status and recognizes the country’s significant strides and achievements in institutional development, capacity enhancement, and domestic resource mobilisation for sustainable development. Following the restoration of Azerbaijan’s sovereignty and territorial integrity, large-scale post-conflict reconstruction and rehabilitation works launched in the liberated territories continue to create new opportunities for sustainable and resilient development, while fostering a more equitable society and ensuring no one is left behind. Reflecting these new realities, the Cooperation Framework introduces a renewed model of collaboration - more agile, catalytic, and responsive to Azerbaijan’s evolving needs and priorities.

Fully aligned with national development goals, the Cooperation Framework focuses on two strategic priorities:

1. Advancing inclusive socio-economic growth and human development; and
2. Promoting ecosystems, and climate resilience, green growth, and just transition.

In this new phase of cooperation, the United Nations will leverage its regional and global networks to deliver targeted expertise, innovative solutions, and customized support, while maintaining a streamlined in-country presence.

As Azerbaijan and the world accelerate efforts to achieve the Sustainable Development Goals, we reaffirm our commitment to the core promise of the 2030 Agenda to Leave No One Behind: so that the benefits of development reach all people, including women, children, and youth, persons with disabilities, older persons, former internally displaced persons and other vulnerable groups.

The implementation of all United Nations programmes, projects, and activities in all districts and areas of the Republic of Azerbaijan under the Cooperation Framework will be fully coordinated and agreed with the respective counterparts within the Government of Azerbaijan. They will be implemented in full respect for the sovereignty, territorial integrity and independence of the Republic of Azerbaijan.

Through the Joint Steering Committee and Results Groups, the Government and the United Nations Country Team will ensure effective implementation, and continuous adaptation of the Cooperation Framework.

Together, we pledge to make the Cooperation Framework 2026–2030 a catalyst for translating the vision of the 2030 Agenda into tangible results, advancing a resilient, and sustainable future for all people in Azerbaijan.



## SIGNATURE PAGE

The Sustainable Development Cooperation Framework Between the United Nations and the Government of the Republic of Azerbaijan for 2026-2030 has been prepared based on the extensive and inclusive consultations.

By signing hereunder, the participating parties endorse the Cooperation Framework.

Government of the Republic of Azerbaijan

Mikayil Jabbarov

Minister of Economy  
Republic of Azerbaijan

United Nations Country Team

Vladanka Andreeva

United Nations Resident Coordinator  
Republic of Azerbaijan

Signed in Baku, Azerbaijan, on 24 October 2025.



*The UN Resident Coordinator and the Minister of Economy signed the new Sustainable Development Cooperation Framework between 2026–2030 on 24 October 2025.*

*Photo credit: UNRCO/Mammad Aliyev/2025*

# UN System Organization Signature Page

The undersigned UN System Organizations express their joint commitment to the priorities and cooperation results of this Sustainable Development Cooperation Framework Between the United Nations and the Government of the Republic of Azerbaijan for 2026-2030.

<b>FAO</b> Food and Agriculture Organization	<b>Nasar Hayat</b> Representative	
<b>ILO</b> International Labour Organization	<b>Mikhail Pouchkin</b> Director, Office for Eastern Europe and Central Asia	
<b>IOM</b> International Organization for Migration	<b>Lars Johan Lönnback</b> Chief of Mission a.i.	
<b>ITU</b> International Telecommunication Union	<b>Natalia Mochu</b> Regional Director, Regional Office for CIS	
<b>OHCHR</b> Office of the United Nations High Commissioner for Human Rights	<b>Francesco Motta</b> Regional Director for Europe, Central Asia and MENA	
<b>UNECE</b> United Nations Economic Commission for Europe	<b>Dmitry Mariyasin</b> Deputy Executive Secretary	
<b>UNEP</b> United Nations Environment Programme	<b>Arnold Kreilhuber</b> Regional Director and Representative for Europe	
<b>UN Habitat</b> United Nations Human Settlements Programme	<b>Erfan Ali</b> Regional Programme Director a.i.	
<b>UNIDO</b> United Nations Industrial Development Organization	<b>Solomiya Omelyan</b> Chief of the Regional Bureau for Europe and Central Asia	
<b>UNOPS</b> United Nations Office for Project Services	<b>Simonetta Siligato</b> Director, Multi-Country Office, Europe and Central Asia Region	
<b>UN Women</b> United Nations Entity for Gender Equality and the Empowerment of Women	<b>Kaori Ishikawa</b> Representative to Georgia and Liaison for South Caucasus	
<b>WHO</b> World Health Organization	<b>Hande Harmanci</b> Representative	

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# Acronyms, Abbreviations and Definitions

<b>CCA</b>	Common Country Analysis
<b>CF</b>	United Nations Sustainable Development Cooperation Framework
<b>COP29</b>	29th session of the Conference of the Parties to the United Nations Framework Convention on Climate Change
<b>DCO</b>	Development Coordination Office
<b>FAO</b>	Food and Agriculture Organization
<b>FDI</b>	Foreign Direct Investment
<b>GDP</b>	Gross Domestic Product
<b>GEWE</b>	Gender Equality and Women's Empowerment
<b>GHG</b>	Greenhouse Gas
<b>HDI</b>	Human Development Index
<b>HRBA</b>	Human Rights-Based Approach
<b>IDP</b>	Internally Displaced Person
<b>ILO</b>	International Labor Organization
<b>IOM</b>	International Organization for Migration
<b>JSC</b>	Joint Steering Committee
<b>JWP</b>	Joint Workplan
<b>LNOB</b>	Leave No One Behind
<b>MDB</b>	Multilateral Development Banks
<b>MEA</b>	Multilateral Environmental Agreement
<b>M&amp;E</b>	Monitoring and Evaluation
<b>MEG</b>	Monitoring and Evaluation Group
<b>MSME</b>	Micro, Small and Medium Enterprises
<b>NAP</b>	National Adaptation Plan
<b>NCCSD</b>	National Coordination Council for Sustainable Development
<b>NDC</b>	Nationally Determined Contributions
<b>OHCHR</b>	United Nations Office of the High Commissioner for Human Rights

<b>OMT</b>	Operations Management Team
<b>RBM</b>	Results-Based Management
<b>RC</b>	United Nations Resident Coordinator
<b>RG</b>	Results Group
<b>RCO</b>	United Nations Resident Coordinator's Office
<b>SDGs</b>	Sustainable Development Goals
<b>SOE</b>	State-Owned Enterprise
<b>SSC</b>	State Statistical Committee
<b>ToC</b>	Theory of Change
<b>UN System Organizations</b>	Funds, Programmes and other subsidiary organs, and other organizations of the United Nations system
<b>UN-Habitat</b>	United Nations Human Settlement Programme
<b>UNCT</b>	United Nations Country Team
<b>UNECE</b>	United Nations Economic Commission for Europe
<b>UNEG</b>	United Nations Evaluation Group
<b>UNEP</b>	United Nations Environment Programme
<b>UNESCAP</b>	United Nations Economic and Social Commission for Asia and the Pacific
<b>UNIDO</b>	United Nations Industrial Development Organization
<b>UNOPS</b>	United Nations Office for Project Services
<b>UN SPECA</b>	United Nations Special Programme for the Economies of Central Asia
<b>UN Women</b>	United Nations Entity for Gender Equality and the Empowerment of Women
<b>VNR</b>	Voluntary National Review
<b>WHO</b>	World Health Organization

# Executive Summary

The United Nations Sustainable Development Cooperation Framework 2026–2030 marks a new phase in the partnership between the Government of Azerbaijan and the United Nations, aimed at accelerating the progress toward the Sustainable Development Goals. The Cooperation Framework serves as a strategic platform to address Azerbaijan’s unique needs and priorities as an upper-middle-income country, offering tailored support to advance its sustainable development pathway across two strategic priority areas:

## STRATEGIC PRIORITY 1

### Advancing Inclusive Socio-Economic Growth and Human Development

This priority focuses on enabling people in Azerbaijan to benefit from equitable, quality services and inclusive socio-economic opportunities. The United Nations will contribute through two key outputs:

➔ **Evidence-informed policy and institutional capacity development:** The United Nations will support the Government in the formulation and implementation of inclusive urban and rural development policies, fostering an enabling business environment, and promoting decent work and innovation. This includes enhancing land and agricultural productivity, supporting Micro, Small and Medium

Enterprises growth, and facilitating trade and entrepreneurship—particularly for women, youth, and persons with disabilities.

➔ **Strengthening inclusive, data-driven public and social services:** The United Nations will help build national capacities to deliver high-quality, people-centered services through digital transformation. This includes improving access to health, education, legal aid, and social protection, while addressing social challenges and promoting gender equality. Emphasis will be placed on disaggregated data, digital tools, and community engagement to ensure services reach those most at risk of being left behind.

## STRATEGIC PRIORITY 2

# Promoting Ecosystems and Climate Resilience, Green Growth, and Just Transition

This priority supports Azerbaijan's transition to a green economy while enhancing resilience to climate and environmental risks. The United Nations's contributions are structured around three outputs:

- ➔ **Enhancing data-driven climate and disaster preparedness:** The United Nations will strengthen national systems for environmental monitoring, early warning, and emergency response. This includes building institutional capacities, supporting contingency planning, and improving access to climate and spatial data.
- ➔ **Supporting just transition and sustainable ecosystem management:** The United Nations will promote climate-smart agriculture, renewable energy, water efficiency, and circular economy practices. It will also support biodiversity conservation and sustainable land and marine resource management, with a focus on scaling up innovative solutions and ensuring equitable access to natural resources.

- ➔ **Fostering environmental awareness and climate action:** The United Nations, in coordination and partnership with the Government, will work with communities, youth, and civil society to build knowledge and skills for environmental stewardship. This includes promoting climate education and environmentally friendly behaviours and supporting national leadership in global climate initiatives.

Implementation of the Cooperation Framework will be guided by the principles of effective partnership and overseen by a Joint Steering Committee co-chaired by the Government and the United Nations.

Regular communication and coordination will be maintained, with a strong focus on results. Annual Joint Work Plans, developed by dedicated Results Groups per Outcome, will drive implementation. A robust monitoring and evaluation system will promote UN's accountability, enable learning, and support continuous adaptation.

# COUNTRY PROGRESS TOWARDS THE 2030 AGENDA

## 1.1 Overview of the SDG Progress in Azerbaijan

Azerbaijan has made significant progress in advancing the 17 Sustainable Development Goals (SDGs) integrating them into its long-term national development vision. The country's socio-economic strategy is guided by two key national frameworks: Azerbaijan 2030: National Priorities for Socio-Economic Development<sup>1</sup> and the 2022–2026 Azerbaijan Socio- Economic Development Strategy <sup>2</sup>, both of which closely align national priorities with the 2030 Agenda.

Azerbaijan 2030: National Priorities for Socio-Economic Development outlines five critical national priorities: (i) a steadily growing, competitive economy; (ii) a dynamic, inclusive society based on social justice; (iii) modern innovations and competitive human capital; (iv) the great return to the territories liberated from occupation; and (v) a clean environment and a country of “green growth”.

Guided by its national development vision, Azerbaijan established a national SDG framework

in 2016, specifically tailored to address the country's development challenges and opportunities. From the global framework, 88 SDG targets and 119 indicators were initially prioritized to reflect national needs. In 2024, additional 8 SDG targets and 10 indicators were added to this list, bringing the number of priority targets and indicators to 96 and 129, respectively<sup>3</sup>. Azerbaijan was one of the first countries to start applying the MAPS (Mainstreaming, Acceleration and Policy Support), a UN system-wide approach to support SDG implementation at country level.

Considering that massive landmine contamination in the previously occupied territories of Azerbaijan present significant obstacle to post-conflict reconstruction and rehabilitation efforts<sup>4</sup>, in May 2023, the Government has adopted a national SDG 18 on Mine Action, identifying it as one of the prerequisites to achieving sustainable development in the country. To support implementation of the 2030 Agenda, Azerbaijan has put in place strong institutional mechanisms. The National Coordination Council on Sustainable Development (NCCSD), chaired by the Deputy Prime Minister and supported by a

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1. Order of the President of the Republic of Azerbaijan on approval of “Azerbaijan 2030: National Priorities for Socio-Economic Development”  
2. Republic of Azerbaijan 2022-2026 Social and Economic Development Strategy  
3. National Information Portal on Sustainable Development Goals of the Republic of Azerbaijan: <https://sdg.azstat.gov.az/en/home>  
4. [hlpf.un.org/sites/default/files/vnrs/2024/VNR\\_2024\\_Azerbaijan\\_Report.pdf](https://hlpf.un.org/sites/default/files/vnrs/2024/VNR_2024_Azerbaijan_Report.pdf)

Secretariat within the Ministry of Economy, leads SDG coordination and monitoring efforts. In collaboration with the UN Resident Coordinator's Office (RCO), the NCCSD launched a multi-stakeholder SDG Dialogue Series in November 2022, promoting a whole-of-society approach and enhancing stakeholder engagement in SDG implementation.

The first policy dialogue focused on Azerbaijan's green transformation, followed by policy dialogues on inclusive economic and social development, gender equality and women's empowerment (GEWE), and climate action.

Azerbaijan's broader commitment to sustainable development is reflected in its submission of four Voluntary National Reviews (VNRs) and its regular engagement with UN human rights mechanisms, including periodic reporting under the Universal Periodic Review (UPR), the International Covenant on Economic, Social and Cultural Rights (ICESCR), the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), and the Convention on the Rights of the Child (CRC), among others.

According to the UN Economic and Social Commission for Asia and the Pacific (UNESCAP) data <sup>5</sup>, Azerbaijan demonstrated strong performance in SDG 3 (Health), SDG 4 (Education), and SDG 9 (Industry, Innovation, and Infrastructure) while certain challenges were observed with SDG 6 (Clean Water), SDG

10 (Inequalities), and SDG 16 (Peace, Justice, and Strong Institutions). Azerbaijan's National SDG Progress Assessment, conducted in April 2024, presents a promising outlook<sup>6</sup>. Based on a then nationally prioritized set of 88 SDG targets and 119 indicators relevant to Azerbaijan's context, the assessment shows that 43% of indicators are improving, 6% are stagnant, 18% are regressing, and 33% lack sufficient data. With the expansion of the national prioritized SDG targets and indicators in 2024, the share of indicators with insufficient data declined significantly to 15.5% (20 out of 129 indicators).

Through its National Information Portal on Sustainable Development Goals, Azerbaijan reports steady progress on key indicators such as domestic revenue mobilization, remittances, internet penetration and statistical capacity. Azerbaijan places particular emphasis on revitalized global partnerships as an essential element for advancing the 2030 Agenda.

Partnerships have been instrumental in supporting the country's priorities, including post-conflict reconstruction under the Great Return Programme, the transition to renewable energy, digital transformation and SDG 18 on mine action.

Following the end of the conflict with Armenia, in parallel to large-scale post-conflict rehabilitation and reconstruction, inter-state normalization process with Armenia was launched on a

5. UNESCAP Statistics Division SDG Performance Trends. Last updated May 7, 2025.

6. UNESCAP Statistics Division Dashboard based on National Information Portal on SDG. Last updated: 24 April 2024.

bilateral basis. This process has registered significant progress with initialling of the bilateral agreement on establishment of peace and interstate relations and signing of Joint Statement on 8 August 2025 by the President of the Republic of Azerbaijan and the Prime Minister of Armenia in their meeting with the President of the United States of America in Washington D.C.

Within the current Cooperation Framework, Azerbaijan and the UN will ensure that the benefits of sustainable development reach all communities, in line with the ambition of the 2030 Agenda.

## 1.2 Advancing inclusive Socio-Economic Growth and Human Development

### Economic dimension

Azerbaijan's economy has seen a notable transformation since independence in 1991. A sharp increase in oil production and exports starting in the late 1990s, as well as successful socio-economic policies, pushed growth to unprecedented double-digit levels between 2005 and 2008.

Combined with high levels of investment-particularly public investment- this resulted in a nearly fivefold increase in real per capita income from 1995 to 2022, enabling Azerbaijan's

transition from lower-middle-income to upper-middle-income status <sup>7</sup>. Azerbaijan's macro-economic stance has also been strong recently, with a positive fiscal space, very low external public debt, and foreign exchange reserves almost equalling the value of Gross Domestic Product (GDP).The Government of Azerbaijan is committed to accelerating economic transformation to reduce vulnerability to external shocks, including fluctuations in global oil prices.

The Government has been implementing large-scale programmes to promote economic diversification. While notable progress has been made in diversifying Azerbaijan's economy, the Government recognises remaining challenges in boosting non-oil sector productivity, attracting more investment outside of oil and gas sectors, and further integrating into global markets. Reform efforts are underway to enhance competitiveness – for example, improving the business climate and gradually transforming State Owned Enterprises (SOEs) to encourage private sector growth. Reducing regional economic imbalances is also a priority; targeted regional development programmes aim to ensure more balanced growth across the country.

To achieve its development goals, Azerbaijan will need to accelerate and sustain economic growth. The 2022–2026 Socio-Economic Development Strategy targets annual GDP growth of 3–4% over the medium term, with close to 5% growth projected for the non-oil and gas sector<sup>8</sup> - critical for advancing the five strategic priorities

7. World Bank: <https://data.worldbank.org/country/azerbaijan>

8. Republic of Azerbaijan 2022-2026 Social and Economic Development Strategy

outlined in Azerbaijan Vision 2030. Investments in enhancing the economy's competitiveness, resilience to future shocks, and developing human capital, will be critical going forward. Creating a fair and competitive business environment, with a level playing field for private enterprises, will be key to driving economic diversification. Equally important is the availability of skills aligned with labour market demands—not only to absorb new investments and expand productive capacity but also to boost productivity in non-oil sectors, which is vital for enhancing Azerbaijan's overall competitiveness.

In the Fourth Industrial Revolution era, closing the digital divide and expanding financial inclusion are essential to unlock digital transformation and create income opportunities. Geopolitical uncertainties and volatile oil prices highlight the need for fiscal sustainability and balanced public investments to reduce regional disparities. Strengthening transport infrastructure, digitalization, and trade facilitation will further strengthen the position of Azerbaijan as a regional transport hub and integrate it into global value chains, supporting economic diversification.

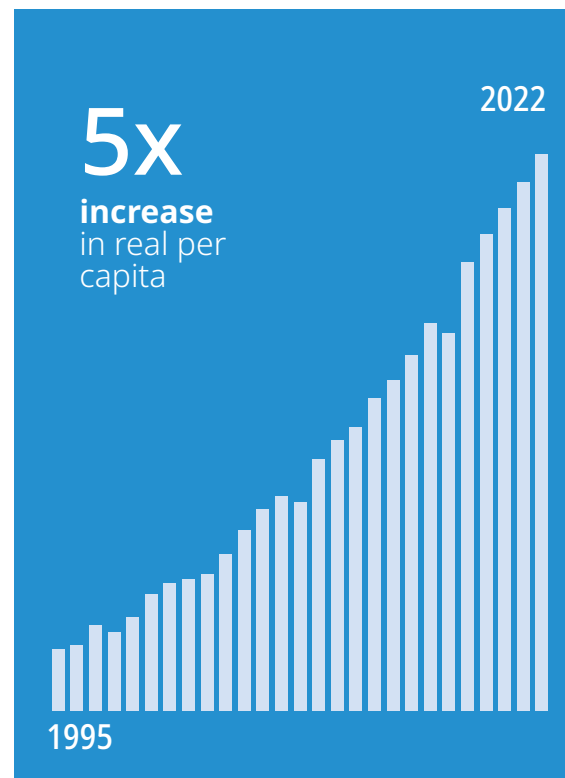
### Social dimension and human development

Azerbaijan's impressive economic progress has led to a sharp decline in poverty, with the national poverty rate falling from 49% in 2001 to 5.2% in 2023<sup>9</sup>.

The Government has prioritized building an effective and equitable social protection system for the poor, vulnerable groups, and persons with disabilities, including war veterans, children with disabilities, elderly persons, including those living alone and in need of care. As a result, coverage by at least one social protection benefit increased from 40.3% in 2016<sup>10</sup> to 53.6% in 2023<sup>11</sup>.

Azerbaijan has made significant progress in human capital development, ranking among the top global improvers based on changes in the

### Capita Income Growth



9. SSC.

10. ILOSTAT, Social Protection Data:

11. Republic of Azerbaijan Multiple Indicator Cluster Survey 2023, Survey Findings Report

World Bank's Human Capital Index between 2010 and 2020. The Government acknowledges that certain health and education outcomes still require improvement relative to leading performers. Efforts are focused on closing these gaps and ensuring that development gains are more evenly distributed, in line with Azerbaijan's commitment to Leave No One Behind. The country's Human Development Index (HDI) rose to 0.76 in 2022<sup>12</sup> placing Azerbaijan in the high human development category, ranked at 89<sup>th</sup> out of 193 countries - an improvement of six positions compared to 2021. However, the HDI remains slightly below pre-pandemic levels (2019), and disparities in human development persist. The inequality-adjusted Human Development Index (IDHI) declines to 0.707<sup>13</sup>, indicating uneven distribution of development gains.

Azerbaijan has taken significant steps to ensure equal employment and entrepreneurship opportunities for women, including measures under the 2022-2026 Socio Economic Development Strategy to strengthen women's economic empowerment, legal reforms expanding access to professions, and amendments to family legislation. These efforts have contributed to improved international rankings, with the World Bank's Women, Business

and the Law 2024 Report<sup>14</sup> recognizing notable progress.

Azerbaijan has continued to ensure balanced participation of girls across all levels of education, with steady progress reflected in general, secondary specialized and higher education institutions, underscoring the country's commitment to advancing gender equality in education. According to the statistics of the Ministry of Science and Education of the Republic of Azerbaijan, for the 2024/2025 academic year, the proportion of girls studying in general education institutions was approximately 47%, in secondary specialized education institutions 64%, and in higher education 52.14%.

According to the 2019 population census, Azerbaijan has a very high literacy rate of 99.8%, with strong educational attainment at primary and secondary levels. However, completion of post-secondary and higher education rate needs to improve. The gap between average years of schooling (12.4 years) and learning-adjusted years of schooling (8.3 years)<sup>15</sup> highlights some challenges about the quality of learning outcomes<sup>16</sup>. Enhancing access to and the quality of secondary specialized and vocational education is essential to address skills mismatches in the labour market.

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12. HDI.

13. HDI.

14. World Bank: Women, Business and the Law 2024

15. World Bank, 2022. Azerbaijan Human Capital Review.

16. LAYS is a metric that was designed because using years of schooling alone does not account for learning: children who complete the same number of years in school in different countries often have very different learning outcomes. LAYS adjusts the years of schooling metric to account for quality of learning. See Filmer, D. et al., 2018. Learning-Adjusted Years of Schooling (LAYS): Defining a New Macro Measure of Education. World Bank.

Azerbaijan has continued to ensure balanced participation of girls across all levels of education, with steady progress reflected in general education (47%), secondary specialized education (64%), and higher education (52.1%) in the 2024/2025 academic year. Tuition-free higher education and targeted scholarships such as the Hanifa Malikova-Zardabi (2021), Parla (2024), Graceful Engineers (2024), and Maya Hajiyeva ICT (2024–2025) programmes further expand opportunities for girls. Over the past two decades, women’s participation in doctoral and postdoctoral education has risen significantly, with women now making up roughly half of all doctoral students<sup>17</sup>

In 2024/2025, inclusive education was expanded in Baku, with 30 public schools offering inclusive classrooms that enrolled 220 students- among them, 57 children with disabilities newly integrated into mainstream learning environments. This marks a promising shift toward equity and participation. However, early childhood education still requires targeted investment, as enrolment remains uneven: 47.8% in urban areas versus just 22.3% in rural communities. Sustained efforts are also needed to scale inclusive education nationwide, ensuring that children with disabilities have equal access to quality learning from the earliest years.<sup>18</sup>

While Azerbaijan’s population continues to grow steadily, recent years have seen a decline in fertility

rates. The birth ratio has remained slightly skewed toward boys, although this variation began to narrow in 2024 compared to 2023<sup>19</sup>. Strengthening demographic resilience through enhanced family planning, promotion of safe motherhood, and targeted responses to underlying social challenges, will be essential to ensuring inclusive and sustainable population dynamics.

In recent years, Azerbaijan has undertaken significant reforms in the health sector, enabled by improvements in the country’s macroeconomic and fiscal landscape. These reforms included the introduction of a mandatory health insurance scheme aimed at mobilizing resources in a more efficient and equitable manner. To operationalize this initiative, the Administration of the Regional Medical Divisions (TABIB) was established under the State Agency for Mandatory Health Insurance. Since 2021 all insured individuals have been entitled to a comprehensive benefit package of wide-ranging medical services.

Despite notable progress, several health outcomes remain a concern in Azerbaijan, particularly due to the rising burden of non-communicable diseases. While the Government has committed to increasing healthcare spending from 2% to 4.3% of GDP by 2026<sup>20</sup>, greater investment will be critical to strengthen the health and care workforce and modernize primary healthcare infrastructure. Expanding access to quality services, both in Baku and across the regions, will be essential to improving national health outcomes.

17. State Statistical Committee of the Republic of Azerbaijan, “Education, science and culture”.

18. <https://baku.edu.gov.az/az/page/9/7768>

19. State Statistical Committee of the Republic of Azerbaijan, “Demographic indicators of Azerbaijan”.

20. [Republic of Azerbaijan 2022-2026 Social and Economic Development Strategy](#)

## Leaving no one behind

Article 25 of the Constitution of the Republic of Azerbaijan (1995) enshrines the right to equality, guaranteeing equal rights and freedoms for all individuals regardless of race, ethnicity, religion, sex, origin, property status, social position, convictions, political party, trade union organization and social unity affiliation. This constitutional guarantee is reinforced by a robust legal framework, including the Law on State Guarantees of Gender Equality (2006), the Law on the Rights of the Child (1998), the Law on the Rights of Persons with Disabilities (2018), the Law on Domestic Violence (2010). Together, these laws reflect Azerbaijan's commitment to equality, inclusion, and protection of vulnerable groups. The country has also ratified key international instruments such as the Convention on the Rights of the Child (CRC), the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), and the Convention on the Rights of Persons with Disabilities (CRPD), reinforcing its commitment to inclusive development.

As outlined in the Socio-Economic Development Strategy 2022–2026, Azerbaijan has prioritized the creation of a dynamic, inclusive, and equitable society — a pillar that fully aligns with the Leaving No One Behind principle guiding the current Cooperation Framework. Within this priority, the Government is committed to ensuring a decent quality of life for all, including through inclusive employment creation, economic empowerment of women, provision of social safety nets for low-

income households, persons with disabilities, and older persons, as well as reducing urban-rural disparities in living standards.

The Azerbaijan MICS 2023<sup>21</sup> highlights key factors influencing vulnerability, such as income level, disability, gender, education, and place of residence. Among these, lower income status combined with rural residence emerges as a frequent intersection that warrants focused attention to ensure progress on leaving no one behind. Women from lower income households face greater challenges in completing secondary education and accessing tertiary education, while older persons in similar households tend to have more limited internet access.

Azerbaijan has adopted significant legislative reforms to prevent domestic violence, early and consanguineous marriages, and strengthen gender equality. The scope of protection against domestic violence has been broadened, short-term protection orders extended and made mandatory, and free state-funded legal aid introduced alongside a national monitoring and coordination mechanism. Criminal and administrative liability for early marriage has been expanded, marriage between close relatives prohibited, and exceptions to the minimum marriage age repealed.

In 2024, women's representation in public life, decision-making, and state governance continued to grow. In the Milli Majlis, 26 of the 125 elected members (20.8%) are women. Within the judiciary,

21. <https://azstat.gov.az/MICS/en/result>

women constitute 10.8% of prosecutors, 26.1% of judges, and 53.6% of court staff. The legal profession has also seen progress, with the number of female lawyers rising by 8.5% and women's participation in bar admission examinations increasing by 65%. Across the civil service, women account for 29% of staff, and 16.8% occupy senior leadership positions.

Azerbaijan has made significant progress in advancing digital governance and inclusive public service delivery, with a strong emphasis on equity, innovation, and citizen satisfaction. The country's flagship initiatives - including the ASAN service centers and the DOST Agency's one-stop-shop model - have transformed access to public services, particularly for vulnerable groups. These platforms offer streamlined, proactive, and largely digital services, contributing to high levels of public trust and satisfaction. ASAN's emphasis on citizen participation fosters continuous innovation and aligns with SDG 16 and the UN's commitment to inclusive governance. Its model has been shared with over 30 countries, with replication already underway in Indonesia, Afghanistan, Uzbekistan, Uganda, and Ethiopia.

Over the past five years, the Ministry of Labour and Social Protection has digitized 151 out of 159 services under its mandate, including disability assessments, allowance assignments, registries, and rehabilitation support, 60 of which are delivered proactively through E-Systems. This digital transformation has significantly improved transparency, objectivity, and accessibility,

especially for persons with disabilities.

Building on recent achievements in digital governance, Azerbaijan continues to address remaining gaps in digital and financial inclusion, particularly between urban and rural communities and across income groups. Ongoing investments in rural broadband expansion, digital literacy, and financial inclusion initiatives including mobile banking and targeted financial education programmes for women and low-income populations, reflect the Government's commitment to ensuring that all segments of society benefit from the country's digital transformation and inclusive development agenda.

Climate-resilient agriculture and other sustainability measures can support rural economies and help narrow regional inequalities. Strengthening social protection systems and ensuring equitable access to services, especially in rural areas, can help cushion the impacts of environmental and economic shocks. Stronger legal protection services, better enforcement, and addressing social challenges are also key to safeguarding the rights of vulnerable groups and building trust in institutions. Addressing overlapping vulnerabilities in Azerbaijan requires a multidisciplinary approach that integrates economic, social, and human development strategies.

Expanding income-generating opportunities, improving access to healthcare, and ensuring equitable access to lifelong learning are critical to strengthening human capital, reducing disparities, and fostering upward social mobility.

## 1.3 Promoting Ecosystems and Climate Resilience, Green Growth, and Just Transition

Environmental pressures in Azerbaijan are driven by industrial activity, unsustainable agricultural practices, and urbanization. Growing competition for natural resources—especially water and land—is being intensified by population growth, economic development, and the impacts of climate change.

Emissions of major pollutants have increased due to rising industrial production and a growing number of vehicles. In response, Azerbaijan has promoted the use of electric vehicles as part of its efforts to reduce air pollution and transition to cleaner transport options. Surface water pollution is largely caused by inadequately treated or untreated wastewater and runoff from irrigated lands.

Soil erosion affects 42% of the country's territory, with 7% rendered unsuitable for agriculture owing to salinization<sup>22</sup>. Water resources are scarce, unevenly distributed, and further stressed by the rapid decline of the Caspian Sea level. Over 70% of Azerbaijan's water originate outside the country<sup>23</sup>, and with continued

economic growth, water stress reached 57.5% in 2022, a level considered high<sup>24</sup>. These issues are compounded by transboundary water challenges, affecting water quality and availability. This is further aggravated due to climate hazards such as droughts, floods, extreme heat, and other severe conditions.

Azerbaijan has committed to reducing its GHG emissions by 35% by 2030<sup>25</sup> and 40% by 2050<sup>26</sup> compared to 1990 levels. However, the country's energy mix remains heavily reliant on fossil fuels, which supply 98% of primary energy and over 90% of electricity.<sup>27</sup> Fossil fuel subsidies continue, while tax incentives for electric vehicles, chargers, and public transport equipment have been in place since 2019.

Favourable taxation for investment in the non-oil sectors has also been put in place, and a target has been set to boost the installed capacity of renewable energy to almost 35% by 2030<sup>28</sup>. Achieving this transition will require significant scaling up of green financing, drawing on public and private, domestic and international sources.

Azerbaijan's Nationally Determined Contributions (NDC) 3.0 is expected to further raise the country's climate ambition.

22. Azerbaijan, 2019. Sixth National Report

23. <https://report.az/en/infrastructure/zaur-mikayilov-70-of-surface-water-resources-come-from-neighboring-countries/> National Information Portal on Sustainable Development Goals of the Republic of Azerbaijan: <https://sdg.azstat.gov.az/en/home>

24. Azerbaijan: National SDG Platform.

25. <https://unfccc.int/sites/default/files/NDC/2022-06/INDC%20Azerbaijan.pdf>

26. UNFCCC: [chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://unfccc.int/sites/default/files/NDC/2023-10/Second%20NDC\\_Azerbaijan\\_ENG\\_Final%20%281%29.pdf](chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://unfccc.int/sites/default/files/NDC/2023-10/Second%20NDC_Azerbaijan_ENG_Final%20%281%29.pdf)

27. SSC, 2023: [https://www.stat.gov.az/source/balance\\_fuel/?lang=en](https://www.stat.gov.az/source/balance_fuel/?lang=en)

28. Republic of Azerbaijan 2022-2026 Social and Economic Development Strategy

Azerbaijan faces multiple natural hazards, including earthquakes, floods, landslides, wildfires, extreme heat, and droughts<sup>29</sup>. Climate change is increasing rainfall variability, drought risk, and temperatures, which are expected to worsen regional and sectoral inequalities, especially impacting rain-fed agriculture. Heat stress is likely to become more frequent, particularly in densely populated areas like Baku. Climate change-induced disasters will also affect women and men in different ways. The government is committed to developing disaster preparedness and risk reduction capacities, including the adoption of Early Warning Systems. Notably, Azerbaijan finalized its National Adaptation Plan (NAP)<sup>30</sup>, which aims to advance climate change adaptation actions in Azerbaijan in three priority sectors: water, agriculture and coastal areas.

Azerbaijan's successful hosting of the 29th session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP29) highlighted the country's readiness to take a leadership role in climate diplomacy and to prioritize climate action at national, regional, and global levels.

Many of the COP29 Presidency's Action Agenda's Global and Regional Initiatives<sup>31</sup> have gained momentum, with 12 global Initiatives being taken forward also in partnership with the UN system. COP29 also sparked growing interest from Azerbaijan's private sector in sustainability and

Environmental, Social, and Governance standards. Azerbaijan's transition to a green economy will require targeted policies, sustainable financing, and new skills to support economic growth while minimizing pollution, emissions, and waste. Improving energy efficiency, expanding the use of renewable energy as showcased in the strategic vision to turn the Liberated Territories into a "Green Energy Zone", advancing the green energy transition, developing ecotourism, and decarbonizing the economy will be key to meeting the country's NDC targets. At the same time, implementing the NAP will be essential for building climate resilience. Developing comprehensive disaster risk reduction policies will further support a broader, risk-informed development agenda.

Ensuring a just transition will be essential as Azerbaijan moves towards a greener economy. Phasing out fossil fuel subsidies—an important step for the green transition—should be carefully timed and accompanied by safeguards to protect vulnerable economic sectors and populations from potential negative impacts while fostering employment in green sectors.

The success of this shift will depend on stronger institutional frameworks, reliable data, enhanced technical capacities, sustained political commitment, and an inclusive, integrated vision for sustainable development.

29. Azerbaijan RiX Spotlight for Common Country Analysis, 2024: UNDRR; ThinkHazard Azerbaijan, 2020: GFDRR.

30. [National Adaptation Plan - Azerbaijan](#)

31. [COP29 Presidential Action Agenda Initiatives](#).

## 1.4 Post-conflict reconstruction and rehabilitation of the liberated territories

The restoration of Azerbaijan's sovereignty and territorial integrity has enabled large-scale post-conflict reconstruction and rehabilitation in the liberated territories. Under the First State Programme on the Great Return (2022–2026)<sup>32</sup>, the Government is facilitating the safe and dignified return of former internally displaced persons (IDPs) to their places of origin. To date, approximately USD 15 billion has been allocated for implementation, including USD 248 million for demining between 2021 and 2023.<sup>33</sup>

Efforts have focused on landmine clearance and infrastructure development, with a resettlement target of 34,500 families by 2026. As of 29 July 2025, over 50,000 former IDPs have returned, with resettlement completed in 18 settlements and reconstruction underway in more than 30 others.

The implementation of targeted and large-scale projects serves the rapid revival of the Garabagh and East Zangazur economic regions, ensures the resettlement of the population and sustainable economic activity, and creates a sound basis for transforming these territories into highly developed regions.

Achieving sustainable return and reintegration will require substantial investments not only in infrastructure, but also in education, healthcare, and livelihoods. Expanding opportunities to ensure that women, youth, and persons with disabilities can fully participate in the economic recovery will be important. Finally, durable solutions must integrate environmental sustainability and climate resilience, aligning with Azerbaijan's net zero targets and plans for green energy zones.

32. <https://president.az/en/articles/view/57883>

33. Azerbaijan has invested \$15 bn in liberated territories ABC.AZ.

# UN DEVELOPMENT SYSTEM SUPPORT TO THE 2030 AGENDA

## 2.1 Rationale Behind Adopted Priorities and Theory of Change

### 2.1.1 United Nations support in the upper middle-income country context

Azerbaijan has achieved significant development progress over the past three decades since regaining independence in 1991. Now an upper-middle-income country, Azerbaijan is evolving from an aid recipient to a donor and convenor, actively engaging in addressing regional and global challenges.

Since 1992, the United Nations has supported Azerbaijan through various stages of its development, providing humanitarian and development assistance in close collaboration with the Government and other partners. Today, after 33 years of partnership, UN–Government cooperation is entering a new phase, one that reflects Azerbaijan’s status as an upper-middle-income country with considerable domestic resources and limited reliance on external financial assistance. This evolving partnership will also focus on emerging opportunities and challenges, including regional and global cooperation.

The new phase of Government-UN partnership and cooperation for 2026-2030 coincides with the period when Azerbaijan and the world will be turbo-charging the implementation of the SDGs, taking forward the agreement and commitment of the Pact for the Future<sup>34</sup> adopted by the world leaders in September 2024.

The new Cooperation Framework (2026-2030) will be guided by the following principles of effective cooperation:

- ➔ National ownership and leadership;
- ➔ Respect for the principles of the UN Charter;
- ➔ Transparency and mutual accountability, supported by close coordination and focus on results; and
- ➔ Inclusive partnerships with all stakeholders, including civil society, young people, academia, think tanks, private sector, and development partners.

The Framework serves as a strategic platform for the UN to deliver tailored support aligned with Azerbaijan’s specific needs and national development priorities. It enables UN System Organizations - both in-country and across regional and global levels - to contribute effectively and cohesively.

34. [https://www.un.org/sites/un2.un.org/files/sotf-pact\\_for\\_the\\_future\\_adopted.pdf](https://www.un.org/sites/un2.un.org/files/sotf-pact_for_the_future_adopted.pdf)

In response to Azerbaijan's evolving context, the UN Country Team (UNCT)'s presence has been streamlined and will be reinforced by targeted expertise from regional and headquarters-based UN System Organizations.

Through the Cooperation Framework, the UN will:

- ➔ Support systemic policy development, aligned with international standards and UN normative frameworks, through policy advisory services, and help further strengthen national capacities for inclusive and effective policy implementation;
- ➔ Provide specialized technical expertise and facilitate knowledge-sharing (including through South-South Cooperation/Triangular Cooperation); and
- ➔ Promote multi-stakeholder dialogues, build partnerships and advance Leave No One Behind (LNOB) approaches.

### 2.1.2 From Context Analysis to Cooperation Framework Priorities

In preparation of this new Cooperation Framework, the UNCT Azerbaijan undertook a comprehensive assessment and analysis of the country's progress towards the 2030 Agenda and the SDGs, through the lenses of the LNOB

principle, and with a forward-looking approach. The Common Country Analysis (CCA) recognized Azerbaijan's significant progress in many SDG indicators while highlighting key challenges to sustainable development, as detailed in the previous chapter. These challenges were assessed based on their strategic importance to Azerbaijan's development pathway, their potential impact on LNOB groups, the scale of the population affected, the urgency of addressing them, and the UN's added value in supporting national responses.

A key component of the CCA was the LNOB analysis, which identified the groups furthest ahead and furthest behind by applying the UNESCAP LNOB methodology<sup>35</sup> to 20 SDG indicators and drawing data from the 2023 Azerbaijan Multiple Indicator Cluster Survey (MICS)<sup>36</sup>. This analysis provided critical insights into the population groups most at risk of being left behind. The horizon scanning exercise further supported the assessment, identifying potential development risks and opportunities in the years ahead. Drawing from these insights, two strategic priority areas were defined for the Cooperation Framework, fully aligned with Azerbaijan's national plans and strategies:

1. Advancing Inclusive Socio-Economic Growth and Human Development
2. Promoting Ecosystems and Climate Resilience, Green Growth, and Just Transition

35. UNESCAP has developed an empirical methodology on LNOB consisting of the Classification and Regression Tree (CART) analysis and the Dissimilarity Index (D-index). For more information on the methodology and regional results, please visit the UNESCAP LNOB Platform at <https://lnob.unescap.org/>

36. The final sample used for this analysis contains information on up to 10,817 households, and 8,924 women and 2,370 children under 5 years of age. All results are weighted using household weights.

These two priority areas align closely with Azerbaijan's national vision as outlined in Azerbaijan 2030: National Priorities for Socio-Economic Development and the current 2022-2026 Socio-Economic Development Strategy.

The development of the Cooperation Framework priorities was also informed by a series of policy dialogues and consultations jointly organized by the Government and the UN for continuous multi-stakeholder engagement on issues related to sustainable development. These multi-stakeholder consultations were launched in late 2022 with the first SDG Dialogue on green transformation in Azerbaijan, followed by SDG Dialogues on the social and economic inclusiveness of growth, GEWE and climate action in 2023 and 2024.

Each SDG Dialogue brought together on average up to 150 representatives from key stakeholders – the government, the UN, private sector, civil society, young people, academia, the international financial institutions and development partners – to discuss innovative solutions towards SDG acceleration in Azerbaijan. The design of the Cooperation Framework also benefited from national consultations on Azerbaijan's Fourth VNR held in May 2024. The Strategic Prioritization Workshop organized with the Government of Azerbaijan on 31 January 2025 was pivotal in distilling inputs from preceding consultations and common country analysis, to identify priorities of the current Cooperation Framework. Around 150 stakeholders participated in the multi-stakeholder

workshop, including representatives of line ministries and public institutions, academia, civil society organizations (including women's organizations, organizations of persons with disabilities, young persons, and older persons), private sector and development partners. Participants worked in groups to discuss and agree on the main changes needed in each of these broad priority areas, identify key challenges slowing progress towards those changes, and share views on potential UN role.

The strategic priorities, as well as outcome and output statements were elaborated in consultation with the Government. The prioritization of results for UN contribution was thus naturally derived from the list of challenges distilled from the CCA, government priorities (as embedded in Azerbaijan 2030, the National Social and Economic Development Strategy 2022-26, and the COP29 Presidency's Action Agenda Initiatives), and the discussions during the multi-stakeholder Strategic Prioritization Workshop.

The perspectives on change pathways collected during the Strategic Prioritization Workshop served as inputs to the Theory of Change (ToC) workshops which led to the definition of the preconditions for the realization of aspirational changes in each of the priority areas. Potential UN contributions were also identified at that stage and further refined in consultation with the Government of Azerbaijan and agreed upon, in a broad UN-Government meeting on 5 June 2025.

### 2.1.3 SDG interlinkages and accelerators – systems approach to informing Cooperation Framework priorities

In defining the priorities of the Cooperation Framework, the UNCT also analyzed SDG interlinkages to better understand how Azerbaijan's development pathways can accelerate progress through integrated policy choices that address both synergies and trade-offs across goals. As actions targeting one SDG often impact others, an integrated approach to policymaking is essential. Indeed, Azerbaijan's Socio-Economic Development Strategy recognizes the importance of leveraging these interlinkages to advance SDG achievement<sup>37</sup>.

Accordingly, key integrated policy pathways with the greatest potential to accelerate SDG achievement in Azerbaijan were identified<sup>38</sup>. These include: Target 4.3: Equal access to affordable technical and vocational education and training (TVET); Target 6.1: Safe and affordable drinking water; Target 7.2: Universal access to modern energy; Target 9.2: Inclusive and sustainable industrialization; and Target 10.4: Fiscal and social policies promoting equality.

An integrated policy approach provides Azerbaijan with a pathway to accelerate progress toward the 2030 Agenda, balancing economic growth, social inclusion and environmental sustainability. Understanding the synergies and trade-offs among the SDGs in the national context was instrumental in informing the interlinkages

between the Outcomes and Outputs of the Cooperation Framework. In Azerbaijan's context, several key SDG interlinkages highlight the need for integrated policies to accelerate progress:

- ➔ Sustainable industrialization (Target 9.2) can drive economic growth (SDG 8), support diversification (Target 8.3), and advance the green transition. Expanding manufacturing into technology-based and labour-intensive sectors can create jobs, support skills development, and promote women's employment in ICT and food processing (SDG 5), across regions (SDGs 10, 11).
- ➔ Fiscal and social policies (Target 10.4) are critical to ensuring that economic growth benefits all. Strong social protection systems, combined with inclusive economic policies, can reduce inequality (Target 10.1), promote decent work (SDG 8), and support gender equality (SDG 5). Azerbaijan's development strategy emphasizes maintaining safety nets like cash transfers and targeted subsidies to protect vulnerable groups during economic shocks.
- ➔ Food security and nutrition (Target 2.2) support better health (SDG 3), improve education outcomes (SDG 4), and create rural jobs (SDG 8). Reducing malnutrition helps tackle inequalities and promotes inclusive growth.

37. UNDESA. Accelerated Pathways to SDG Progress: Azerbaijan's National Commitments for Sustainable Development and SDG Advancement

38. SDG Push Diagnostic for Azerbaijan

- ➔ Access to quality vocational education (Target 4.3) reduces skills mismatches, boosts employment (SDG 8), and empowers women and girls (SDG 5) through improved workforce participation.
- ➔ Safe drinking water (Target 6.1) is vital for health (SDG 3) and supports sustainable agriculture (Target 2.4), urbanization (Target 11.3), and women’s empowerment (SDG 5). With high water stress, sustainable water management remains a critical issue.
- ➔ Climate action (SDG 13) is affected by high cost of the decarbonization. Addressing the close links between energy (SDG 7) and climate requires integrated policies that balance expanding energy access with the shift to renewables.

## 2.2 Theory of Change for the Cooperation Framework Priorities

The ultimate change that the Cooperation Framework aims to contribute to is captured in the following promise: “We work in partnership with the Government and the people of Azerbaijan to support to foster green, knowledge-based growth, and contribute to build a prosperous, equitable and inclusive society”.

What drives the UN contributions is the aspiration to bridge the development gap across regions; promote social inclusion; gender equality, and support diversification of the economy, following the green growth path. To achieve this vision,

two main preconditions were identified in the joint strategic prioritization process:

- ➔ Inclusive socio-economic growth and equitable, quality services that are innovative, and accessible; and
- ➔ Green growth, just transition, and strengthened ecosystems and climate resilience.

While economic growth is essential to improving people’s well-being, it must be guided towards inclusivity and sustainability to support Azerbaijan’s long-term development goals. This requires policy reforms that encourage inclusivity, foster private sector expansion, promote economic diversification, and create more balanced economic opportunities across regions.

Economic sustainability must go hand in hand with environmental stewardship. This Cooperation Framework prioritizes green growth, a just transition, and climate resilience as core pillars of sustainable development. Advancing energy efficiency, expanding renewable energy use, adopting circular economy practices, and leveraging nature-based solutions will redefine how economic growth is pursued — ensuring it safeguards the ecosystems while fulfilling national and global climate commitments.

Ultimately, sustainable and inclusive growth hinges on robust investment in human capital. Improving outcomes in health, education, and social protection—particularly through digital innovation and targeted support for the most vulnerable—will be critical to ensuring that no one is left behind.

The overall Theory of Change (ToC) for this Cooperation Framework (see Figure 1) is grounded in the integrated nature of sustainable development. It seeks to maximize co-benefits and minimize trade-offs across the SDGs, as outlined in Section 2.1.3. Through analysis and broad-based consultations, several systematic challenges, including challenges relating to the previous occupation of the territories of Azerbaijan were identified that Azerbaijan must address to accelerate progress towards the Agenda 2030:

- ➔ Uneven social-economic development, infrastructure and access to opportunities and services among the regions, including the liberated territories;
- ➔ An economy that remains vulnerable to external shocks and price fluctuations
- ➔ Gender inequalities across multiple sectors;
- ➔ Factors influencing progress in human capital development, particularly in health and education outcomes; and
- ➔ Ongoing challenges in meeting climate action commitments, including low energy efficiency, increasing water stress, and issues in managing natural resources.

Addressing these interconnected challenges is at the core of this Cooperation Framework. Addressing these challenges require interconnected pathways, supported by a set of common enablers that must be reinforced and applied across all areas of intervention:

- ➔ Digital transformation and quality data: Digital solutions can make public services more agile, efficient, and accessible, while disaggregated data is essential for effective, evidence-based policymaking and for ensuring no one is left behind.
- ➔ Partnerships and civil society engagement: Collaboration with non-governmental organizations, the private sector, academia, think tanks and other stakeholders is critical to complement government efforts and extend service reach, reflecting the Baku Guiding Principles on Human Development for Climate Resilience (second principle), which emphasizes social dialogue and partnership on human development policies for climate response.
- ➔ Multi-sectoral coordination: Effective coordination among ministries, departments, and institutions is fundamental for coherent policy implementation and SDG acceleration.
- ➔ Good governance and strong institutions: Robust governance structures are essential to deliver quality public services nationwide and ensure effective management of public resources and development financing.

In line with UN guidelines, the work of the UN development system in Azerbaijan will be guided by the following core programming principles<sup>39</sup>:

39. [https://unsdg.un.org/sites/default/files/2019-10/UN-Cooperation-Framework-Internal-Guidance-Final-June-2019\\_1.pdf](https://unsdg.un.org/sites/default/files/2019-10/UN-Cooperation-Framework-Internal-Guidance-Final-June-2019_1.pdf)

- ➔ Leaving No One Behind: As the central promise of the 2030 Agenda, all UN interventions will be designed to prioritize those at greatest risk of exclusion and to address underlying patterns of inequality.
- ➔ Gender Equality and Women's Empowerment: Gender equality will be placed at the heart of all programming. The UN will promote equal opportunities for women and men, actively support women's empowerment, and help to ensure the meaningful participation of women and girls in the country's socio-economic development.
- ➔ Human Rights-Based Approach: All UN cooperation will be guided by human rights principles—including equality, non-discrimination, participation, and accountability—while strengthening the capacities of both duty-bearers (to meet their obligations) and rights-holders (to claim their rights).
- ➔ Accountability: The Cooperation Framework reinforces the UN's accountability for its collective contributions to Azerbaijan's achievement of the 2030 Agenda.
- ➔ Resilience: This principle will guide the design of integrated and cost-effective approaches to reduce risks and prevent disasters.

- ➔ Sustainability: Focus will remain on sustaining and building upon development gains, particularly through strengthening institutional capacities for long-term impact.

The ToC underpinning this Cooperation Framework is built on several key assumptions about the operating context and enabling conditions. A central assumption is that adequate financing will be mobilised over the next five years—from government co-financing, and with prior agreement and consent of the Government from bilateral donors, the private sector, and global funding mechanisms—to support effective implementation.

Achieving the expected results also depends on sustained national commitment to multilateralism, climate action, and human capital development, as well as continued progress in multi-sectoral coordination and decentralization of public services. These enabling conditions are expected to remain in place, allowing the UN to operate in synergy with national efforts under this Cooperation Framework.

Several risks could challenge these assumptions, including global and regional instability, climate-related and other natural hazards, volatile oil prices, and other external economic shocks. Additionally, limited local partners at community level may constrain the implementation of UN-supported programmes. A

achieving balanced human development between women and men will also require sustained, long-term efforts beyond the five-year timeframe of this framework. Within this broad ToC, the UN's comparative advantage lies in its ability to:

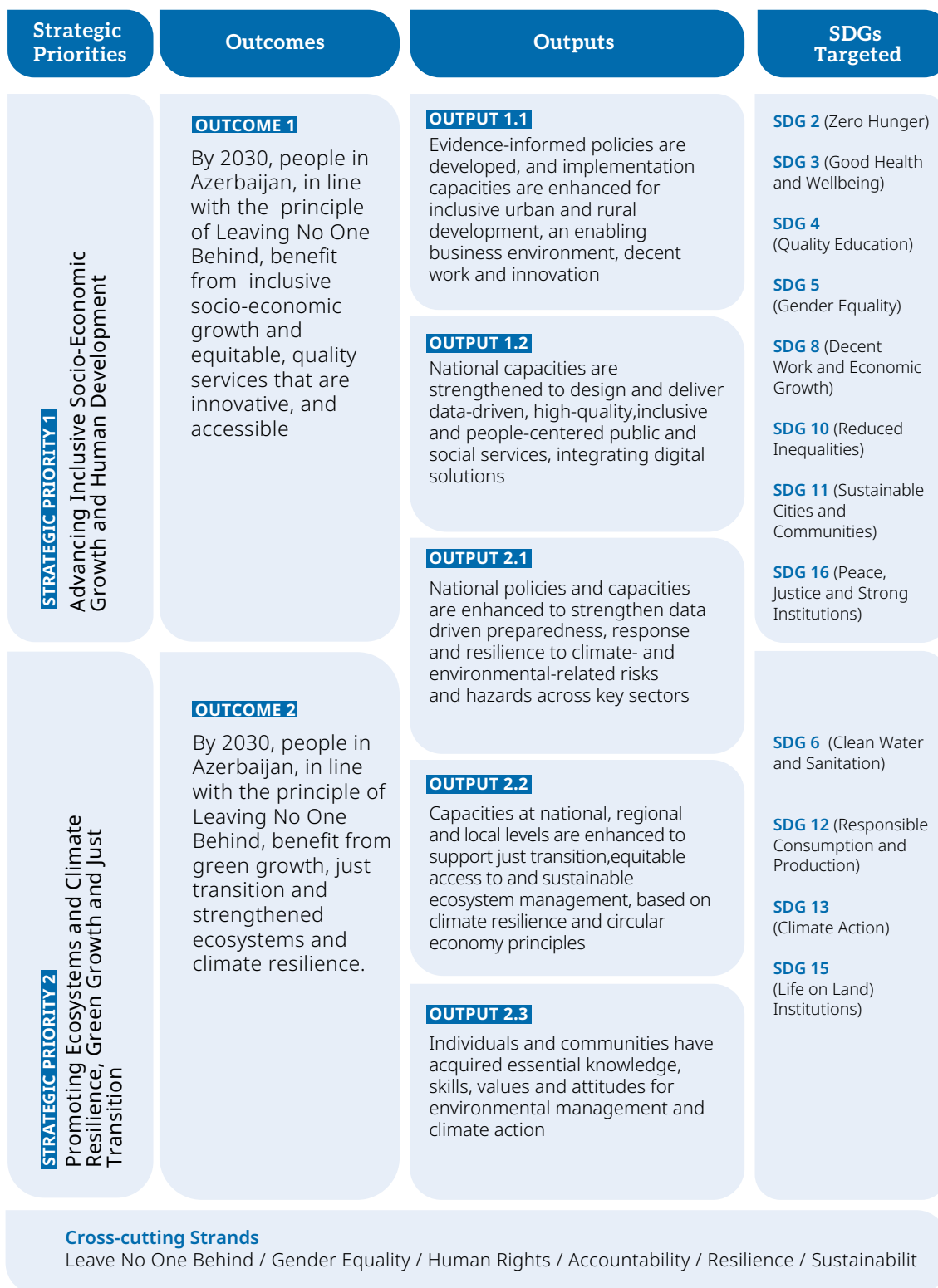
- ➔ Engage in policy analysis and advocacy, drawing on global expertise and best practices;
- ➔ Provide assessments and technical advice to support evidence-based policymaking;
- ➔ Support the Government in implementing its normative commitments, maintaining a strong focus on Leave No One Behind (LNOB) groups—including migrants, persons with disabilities, women, youth, and children.
- ➔ Introduce innovative tools and approaches; and,

- ➔ Facilitate access to sustainable development financing, such as building government capacity to access climate and green funds.

With Azerbaijan's growing national capacities and financial resources, the UN's role and presence will continue to evolve in response to the country's shifting needs and priorities, including the Socio-Economic Development Strategy of the Republic of Azerbaijan for 2027–2030 that is currently being prepared. The areas of cooperation and expected results outlined in the next chapter reflect this recalibrated partnership model.

While the overarching ToC will continue to guide the UN's strategic support for Azerbaijan's sustainable development, the results framework will focus on concrete interventions and outcomes that the UN is committed to deliver over the next five years, in line with government priorities and guidance.

Figure 1. Cooperation Framework ToC Overview



## 2.3 Cooperation Framework Outcomes and Partnerships

Cooperation areas within this Framework have been strategically selected to ensure that the UN delivers the greatest collective impact in support of Azerbaijan's sustainable development. The ToC has been translated into two overarching outcomes and a set of targeted outputs to be achieved by 2030.

Building on the successful COP29 partnership, the UN will continue to support Azerbaijan as it champions multilateralism and advances its climate diplomacy. At the regional level, as an active member of the UN Special Programme for the Economies of Central Asia (UNSPECA), Azerbaijan will continue to benefit from the expertise of UNECE and UNESCAP in areas such as water, energy, environment, sustainable transport, trade, connectivity, statistics, knowledge-based development, and gender—contributing to the outcomes of this Cooperation Framework.

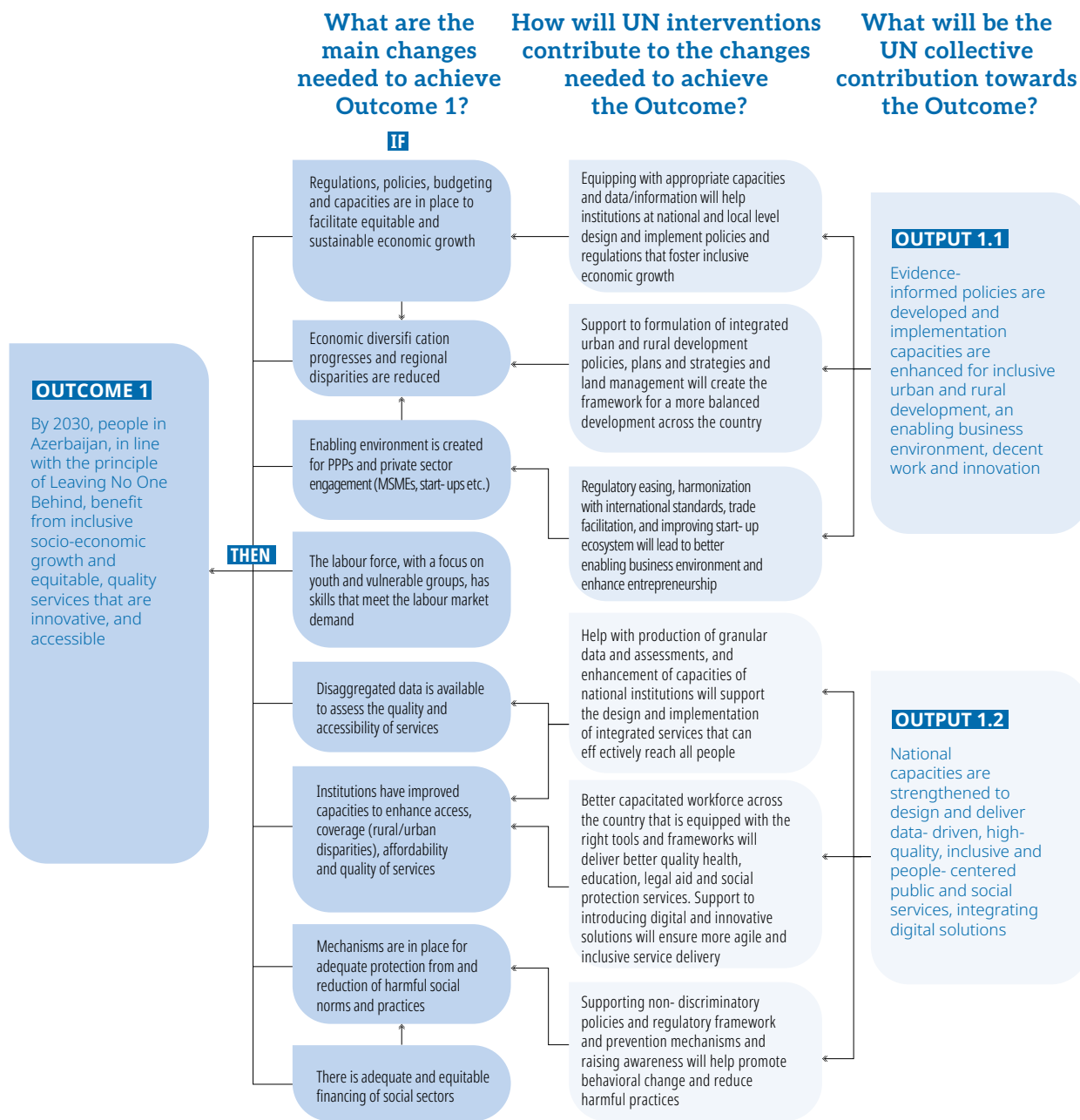
Finally, the design of this Framework draws on key lessons and recommendations from the independent evaluation of the Cooperation Framework Azerbaijan 2021–2025. It places strong emphasis on mainstreaming gender equality, accelerating digital transformation, and leveraging data and evidence to inform interventions and drive results.

### 2.3.1 Strategic Priority 1: Advancing inclusive Socio-Economic growth and Human Development

Under Priority Area 1, the Government of Azerbaijan and the UN agreed on the following Outcome1: “By 2030, people in Azerbaijan, in line with the principle of Leaving No One Behind, benefit from inclusive socio-economic growth and equitable, quality services that are innovative, and accessible.”

As illustrated in the TOC diagram (see Figure 2) a set of key preconditions have been identified to enable Azerbaijan's progress towards inclusive socio-economic growth. These necessary changes are largely structural and include: Building a diversified, integrated, and regionally balanced economy; Creating an enabling business environment and a level playing field for MSMEs; Expanding public-private partnerships; Unlocking the economic potential of all population groups; and Developing skills that meet both current and future labour market needs.

Figure 2. Strategic Priority 1- TOC Diagram



### External Assumptions

1. Regional political stability
2. Interest and commitment from donor community/Gov co-financing
3. Increased FDIs to non-oil sectors
4. New Socio-Economic Strategy to give continuity
5. Investments in social sector, digital transformation and innovation, and focus on human capital development will continue
6. Public sector reform will continue to improve effectiveness at local/subnational level
7. Azerbaijan's continued commitment to multilateralism

### Risks

1. Oil price fluctuations and other economic shocks, impact of regional and global geopolitical trends
2. Prolonged droughts
3. Backlash in Gender equality narrative
4. Potential economic and geopolitical shocks affecting HD, social cohesion and influx of refugees and migrants
5. Climate change impacts and natural disasters

These changes are interconnected and mutually reinforcing. For example, building skills for Industry 4.0 depends on economic diversification and the development of an innovation ecosystem that also covers regions, supported by investment and a conducive policy environment.

In parallel, advancing human development will require continuous improvements in the quality and inclusivity of public and social services. While access has improved, service delivery remains uneven across the country. Achieving nationwide coverage of integrated, high-quality services will depend on strengthened institutional capacities, effective planning, and sustainable financing.

Data and knowledge are essential enablers of effective policymaking. Reliable, disaggregated data, combined with an understanding of demographic trends and the needs of vulnerable groups, will guide evidence-based policies, budgeting decisions, and resource allocation.

Stakeholder consultations underscored the need to actively engage communities and civil society in designing and delivering services, especially in protection and legal aid, to ensure they are inclusive, accessible, and tailored to those most at risk of being left behind.

The UN's contributions to achieving Outcome 1 are organised around two specific Outputs, each aligned with the mandates, capacities, and comparative advantages of participating UN System Organizations.



*The Green Garden project allows children in kindergarten to be sensitized on environmental health from early childhood.*

*Photo credit: UNICEF/2024*

**Output 1.1:**

**Evidence-informed policies are developed, and implementation capacities are enhanced for inclusive urban and rural development, an enabling business environment, decent work and innovation**

**To support this output, the UN will focus on the following areas:**

- 1 Policy development and capacity-building for effective land reform and sustainable land management;
- 2 Improving agricultural productivity through the introduction of new techniques and better access to market information;
- 3 Promoting inclusive urban development policies that support balanced rural-urban growth;
- 4 Strengthening MSME development, trade facilitation, and innovation ecosystems to diversify the economy and create jobs;
- 5 Fostering an enabling business environment by building the capacities of both public and private sector stakeholders;
- 6 Supporting the development of transport corridors to improve trade and transport connectivity, strengthening Azerbaijan's role as a regional trade hub.

Together, these efforts aim to foster integrated and inclusive rural and urban development. The underlying assumption is that, with the adequate capacities, data, and technical support, national and local institutions will be better equipped to design and implement policies that drive inclusive socio-economic growth—including non-

discrimination, equal pay for equal value, and family-friendly policies. To this end, UN support will focus on strengthening data systems, building institutional capacity, and providing policy advisory services to government counterparts and key partners.

### Output 1.2:

## National capacities are strengthened to design and deliver data-driven, high-quality, inclusive and people-centered public and social services, integrating digital solutions

### To achieve this output, the UN will focus on:

- 1 Supporting digital transformation of public services to improve access, outreach, and efficiency. Digitalization is expected to reduce service delivery gaps, particularly in rural and underserved areas, and enhance the overall quality of services.
- 2 Building institutional and workforce capacities to design and deliver integrated services in health, education, legal aid, and social protection. The focus will be on equipping national and local institutions with the right tools, skills, and frameworks to deliver people-centered, inclusive services nationwide.
- 3 Providing technical advice and tools to strengthen financing and budgeting in the social sector, particularly health. Through evidence-based investment cases and expenditure tracking tools, the UN will support more efficient allocation of resources for sustainable service delivery.
- 4 Improving access to protection services and helping to address the social challenges that limit human development, such as by taking further action in promoting gender equality and combatting violence against women and girls.

To this end, the UN will take a two-pronged approach:

- ➔ Support services that prevent and respond to domestic violence, trafficking in persons, and early marriage.
- ➔ Help to address root causes of harmful practices by promoting social and behavioural change, raising awareness, and supporting non-discriminatory policies and regulatory frameworks.

The ToC underpinning Output 1.2 assumes that if institutions and service providers have the necessary capacities, digital tools, and resources—distributed equitably across the country—they will be better able to deliver high-quality, inclusive, and people-centered services. The UN’s focus on innovation and digitalization aims to make service delivery more agile, accessible, and responsive to all population groups.

This Outcome 1 contributes to multiple SDGs:

- ➔ SDG 2 (Zero Hunger): Through promoting sustainable land management and agricultural practices.
- ➔ SDG 11 (Sustainable Cities and Communities): By enhancing capacities for inclusive urban and rural development.
- ➔ SDG 8 (Decent Work and Economic Growth) and SDG 9 (Industry, Innovation and Infrastructure): By fostering an enabling business environment, supporting MSME growth, decent work, and innovation.
- ➔ SDG 3 (Good Health and Wellbeing) and SDG 4 (Quality Education): By strengthening national capacities to deliver quality, inclusive, and people-centered public and social services.
- ➔ SDG 5 (Gender Equality), SDG 10 (Reduced Inequalities), and SDG 16 (Peace, Justice, and Strong Institutions): By expanding access to protection services and prioritizing the needs of vulnerable groups in line with the LNOB principle.

The LNOB principle is integrated in this outcome through its focus on: underperforming rural areas, introducing techniques and tools for improved agricultural productivity, integrated and balanced rural and urban development, and access to quality services; youth and women in relation to employment, entrepreneurship and start-ups; former IDPs to create conditions for their sustainable return, livelihoods opportunities and protection services; as well as migrants and victims of human trafficking in terms of creating the policy environment and the skills for their employability and protection mechanisms. Special attention will also be given to persons with disabilities in promoting employment schemes, accessibility of services, and inclusive policy environment. This outcome will indirectly benefit all groups at risk of being left behind, as the UN will support and promote disaggregation of data. Knowing how different groups are performing, where they are and their vulnerabilities, should inform adequate policy interventions.

Sustainability is embedded in the design of interventions under both Outcome 1 and Outcome 2. Most of the UN efforts are focused on enhancing national capacities, at individual, institutional and policy level. Activities will be implemented in close collaboration and coordination with national and local institutions, with a view to embedding approaches that can be sustained and scaled over time. In parallel, the UN will promote awareness and knowledge to address challenges impacting human capital development, contributing to more resilient and inclusive outcomes for people in Azerbaijan.

To achieve Outcome 1, and Outputs 1.1 and 1.2, the UN will strengthen partnerships with relevant line ministries and government institutions. In alignment with the COP 29 Baku Initiative on Human Development for Climate Resilience,<sup>40</sup> the UN will support efforts to enhance social dialogue, partnerships, and collaboration on human development policies.

This initiative emphasizes that climate resilience can only be achieved with investing in education, health, decent jobs, skills development, and social protection—particularly for vulnerable groups such as women, youth, migrants, and displaced people. It also highlights the importance of integrating green transition strategies and climate change adaptation and mitigation considerations into human development efforts. It calls for coordinated, inclusive action across sectors and stakeholders to ensure climate policies remain people-centered, equitable and sustainable.

The Government of Azerbaijan remains the UN's principal partner in delivering results under this outcome. In parallel, strategic partnerships will be pursued with the private sector and social partners to support MSMEs, promote start-up innovation, strengthen value chains, and facilitate trade. The UN will also deepen collaboration with civil society, including women's organizations, as well as academia and other key stakeholders, to ensure inclusive and evidence-informed approaches.

Regional partnerships are instrumental in advancing inclusive economic growth, trade facilitation, and human capital development, under this outcome. Platforms such as United Nations

Special Programme for the Economies of Central Asia (SPECA) and Central Asia Regional Economic Cooperation Programme (CAREC) of Asian Development Bank support regional cooperation on infrastructure and economic connectivity, MSME development, trade, and human development. Trans-Caspian International Transport Route (Middle Corridor) — a multilateral transit, transport and trade partnership aiming to enhance logistics, infrastructure, and sustainable connectivity, offers immense economic potential and investment opportunities, promising substantial benefits not only for the countries involved, but for the wider region. The Organisation of Islamic Cooperation (OIC), The Organization of Turkic States and the Economic Cooperation Organization (ECO) offer additional avenues for advancing regional economic cooperation, trade, and socio-economic development.

Azerbaijan has strong potential to achieve this outcome, contingent on several key assumptions. Continued and expanded private sector investment in non-oil sectors is essential, alongside stable regional and global economic conditions and uninterrupted supply chains. Sustained government prioritization of economic diversification and private sector development remains critical. Progress also depends on ongoing investments in social sectors and digital transformation—particularly efforts to narrow the digital divide. Advancing public sector reform and decentralizing public services will be vital to improving service quality and accessibility nationwide. However, external shocks, natural hazards, and regional instability, could pose significant risks to sustained progress.

40. <https://cop29.az/storage/2105/JOINT-STATEMENT.pdf>

### 2.3.2. Strategic Priority 2: Promoting ecosystems and climate resilience, green growth, and just transition

Under Priority Area 2, the Government of Azerbaijan and the UN agreed on the following Outcome 2: “By 2030, people in Azerbaijan, in line with the principle of Leaving No One Behind, benefit from green growth, just transition, and strengthened ecosystems and climate resilience.”

As described in the ToC diagram (see Figure 3), a set of key preconditions have been identified to enable Azerbaijan’s progress towards green growth, just transition, strengthened ecosystems and climate resilience. These necessary changes include:

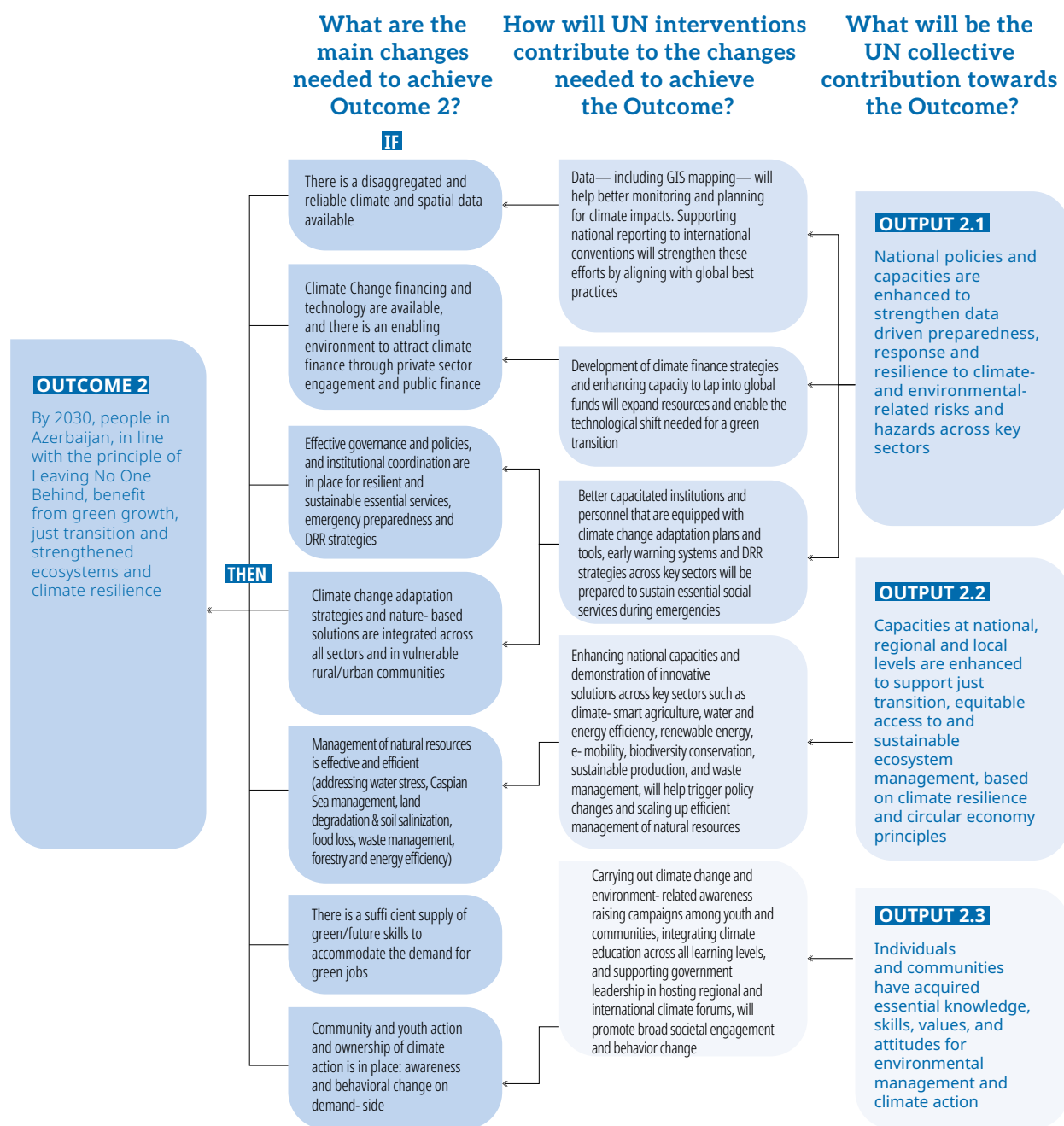
- ➔ Availability of disaggregated climate and spatial data;
- ➔ Access to climate finance and technology, supported by an enabling environment to attract investment;
- ➔ Effective governance and policy coordination to enhance the climate and environmental resilience of essential services;
- ➔ Efficient management of natural resources, with particular attention to the country’s water stress, degradation and salinisation of land, Caspian Sea ecosystems, and food loss and waste;

- ➔ Mainstreaming of climate adaptation and nature-based solutions across all sectors;
- ➔ Raising public awareness on climate and environmental issues, especially among youth, to drive community-level action and promote sustainable consumption.

The Concepts of green growth and just transition are closely linked to the goals of on inclusive economic growth and human development outlined under Outcome 1. A just transition goes beyond shifting to a sustainable economy - it ensures that the transition also advances human development by promoting social justice, protecting human rights, fostering gender equality, and supporting both economic and environmental sustainability. Realizing green growth requires a skilled workforce for emerging green industries, which is an essential part of the broader shift toward a sustainable and inclusive economy.

The UN’s contributions to achieving Outcome 2 are organised around three specific Outputs, each aligned with the mandates, capacities, and comparative advantages of participating UN System Organizations.

Figure 3. Strategic Priority 3 - ToC Diagram



### External Assumptions

1. Continued prioritization and commitment to climate agenda
2. Increase in both public and private climate financing from all sources
3. Multi- sectoral coordination and cross- border cooperation
4. Continuity of development cooperation

### Risks

1. Geopolitical risks
2. Water- stress and cross- border competition over transboundary water
3. Impact of extreme weather events (flood, droughts, heatwaves, wildfires) and capacity to respond to large- scale crises
4. Oil price fluctuations and economic instability
5. Limited partners at local level to be engaged in programme implementation



**Output 2.1:**

**National policies and capacities are enhanced to strengthen data driven preparedness, response and resilience to climate- and environmental-related risks and hazards across key sectors**

**To achieve this output, the UN will focus on:**

- 1 Improving the national capacities and tools to collect, analyse, and monitor climate/environmental/disaster-risk data, upholding international standards, good practices and digital solutions; and,
- 2 Enhancing the preparedness, response and resilience to climate- and environmental-related risks and hazards across key sectors. In this context, the UN also stands ready to support emergency response in case of large-scale disasters.

UN interventions under Output 2.1 are based on the premise that innovative tools, such as GIS mapping and advanced data analytics, can significantly strengthen national capacities to monitor climate impacts, guide evidence-based planning and decision-making, and improve Azerbaijan's reporting to international environmental conventions.

Strengthened early warning systems with embedded digital solutions, coupled with effective cross-sectoral coordination mechanisms,

necessary financing and skilled workforce will enhance preparedness for effective response, as well as enhance climate change adaptation and resilience of communities.

Supporting resilient systems and institutions that can continue to provide essential services in times of disasters will ensure the protection of the most vulnerable segments of society in line with the Multilateral Environmental Agreements (MEAs).

### **Output 2.2:**

## **Capacities at national, regional and local levels are enhanced to support just transition, equitable access to and sustainable ecosystem management, based on climate resilience and circular economy principles**

### **To achieve this output, the UN will focus on:**

- 1 Building capacities of relevant actors at national, regional and local levels to support just energy transition, equitable access to and sustainable use and management of natural resources, climate resilient ecosystems, and circular economy initiatives;
- 2 Supporting the alignment of climate action with sustainable development through the enhancement of the country's export capacity for green transition, which is also envisioned by COP29 Baku Initiative for Climate Finance and Investment for Trade (BICFIT).
- 3 Introducing innovative solutions in various sectors, including climate smart agriculture, water efficiency, renewable energy, clean hydrogen, energy efficiency, grid integration, synchronization of power systems, energy systems and connectivity, sustainable forest management, e-mobility, sustainable production and waste management; and
- 4 Supporting biodiversity conservation and pollution management in the Caspian Sea, recognizing its ecological significance and the importance of coordinated cross-border action.

The ToC for this output assumes that UN-supported innovative solutions will serve as models of good practice, paving the way for potential scale-up by the Government. Through policy advice aligned with Azerbaijan's NDCs, NAP, and other national strategies, and by strengthening institutional capacities, the UN aims to catalyze policy shifts in climate change mitigation, just transition, and sustainable ecosystem management, thereby contributing to the achievement of Outcome 2.

**Output 2.3:**

**Individuals and communities have acquired essential knowledge, skills, values, and attitudes for environmental management and climate action**

**Under this output, the UN’s activities will focus on:**

- 1 Supporting the Government’s climate diplomacy priorities and the country’s leadership in convening regional and international platforms that will place climate change on the forefront of the national, regional and global agendas;
- 2 Carrying out climate change and environment-related awareness raising campaigns among youth and communities; and vulnerable groups, including women, elderly and rural populations; and
- 3 Promoting the integration of climate change agenda at all levels of learning and education.

These interventions are based on the understanding that effective climate change mitigation and adaptation require not only government policies, but also active societal engagement and behavioural change—commonly referred to as “greening the demand side.”

Building on the COP29 legacy and the UN system-wide support provided to the COP29 Presidency, continued collaboration on implementation of the COP29 Presidency’s Action Agenda Initiatives is expected to catalyse and accelerate climate action in all levels - national, regional and international This in turn will contribute to achieving the Outcome set under this Priority area.

The achievement of this Outcome 2 will directly contribute to implementation of the following national SDGs:

- ➔ SDG 7 (Affordable and Clean Energy) and SDG 13 (Climate Action) through strengthened policies and collaborative actions for climate change mitigation, adaptation, and a just transition to a sustainable economy;
- ➔ SDG 12 (Responsible Consumption and Production) by advancing circular economy initiatives that promote sustainable production and resource efficiency;

- ➔ SDG 6 (Clean Water and Sanitation), SDG 14 (Life Below Water), and SDG 15 (Life on Land): through efforts to ensure equitable access to natural resources and the sustainable management and protection of water, land, and marine ecosystems; and
- ➔ SDG 11 (Sustainable Cities and Communities): by enhancing early warning systems and disaster preparedness to build more resilient and safer human settlements.

The Outcome's focus on environmental education and public awareness reinforces the Human Rights-Based Approach (HRBA) principle of participation—ensuring individuals and communities are informed, engaged, and empowered to take climate action. Integration of MEAs and COP29 Presidency Initiatives further reinforce Azerbaijan's commitments under international environmental and human rights frameworks.

In line with the Leave No One Behind (LNOB) principle, this outcome recognizes that vulnerable groups—such as children, women, the elderly, and persons with disabilities—are disproportionately affected by climate change and often have limited adaptive capacity. The UN will ensure its policy advice and technical support reflect the specific needs of these groups and promote inclusive, participatory decision-making

processes that are responsive to their challenges and contributions.

As with Outcome 1, the sustainability of UN contributions under Outcome 2 depends on strengthening institutions, building national capacities, and raising public awareness to support environmental protection and climate change mitigation. To achieve this, the UN will work not only with the Government but also partner with international development institutions, global climate funds, multilateral development banks, the private sector, academia, think tanks, youth and women's organizations, and broader civil society—ensuring inclusive, community-level engagement in programme implementation.

Regional partnerships are vital to achieving this outcome, particularly in addressing transboundary environmental challenges, building climate resilience, and ensuring sustainable natural resource management.

The UN will support Azerbaijan's active engagement in key regional mechanisms such as the Tehran Convention, which promotes protection of the Caspian Sea; SPECA, which advances climate resilience and green connectivity across Central Asia; the Organization of Turkic States, which fosters cooperation on sustainable development and environmental protection; and the Economic Cooperation Organization (ECO), in partnership with which the Clean Energy Centre for the ECO region (CECECO)<sup>41</sup> has been established in Baku. Through the Central Asia Regional Economic

41. CECECO will be one of the centers of UNIDO's Global Network of Regional Sustainable Energy Centers (GN-SEC), and it will promote regional cooperation, accelerate the transition to renewable energy sources, strengthen energy security and combat climate change (<https://www.gn-sec.net/content/clean-energy-centre-eco-region-cececo>).

Cooperation (CAREC) Programme, Azerbaijan contributes to regional efforts on climate-smart infrastructure, energy, and environmental sustainability. During its recent chairmanship of the Non-Aligned Movement (NAM) Azerbaijan has also championed climate equity and inclusive access to resources, positioning NAM as a strategic partner in promoting a just transition and strengthened regional cooperation.

Risks and assumptions impacting this outcome's ToC include regional and cross-border challenges. Growing competition over shared water resources poses a significant risk to environmental sustainability if not addressed through effective coordination and cooperation. Additionally, the potential for large-scale natural disasters remains a critical risk. The outcome assumes that adequate national and regional response capacities will be in place to address such issues and mitigate their impact.

In terms of UNCT configuration, multiple UN System Organizations - signatories to this Cooperation Framework - will contribute to the realization of Outcomes 1 and 2, drawing on their distinct mandates, and expertise. Their strategic contributions are detailed in Figure 3, which illustrates the alignment between thematic areas, expected results, and participating UN System Organizations.

# COOPERATION FRAMEWORK IMPLEMENTATION PLAN

## 3.1 Cooperation Framework Governance

The Joint Government-UN Steering Committee (JSC) serves as the primary governance mechanism for the strategic oversight and implementation of the Cooperation Framework in Azerbaijan. The JSC will be co-chaired by the UN Resident Coordinator, representing the UN Country Team (UNCT), and the Minister of Economy of the Government of Azerbaijan of the Government of Azerbaijan. The membership of the JSC will include all UNCT members as well as senior representatives of relevant Government ministries.

The JSC ensures alignment with the national priorities and the 2030 Agenda and fosters joint contributions to national development goals. Its core responsibilities encompass:

- ➔ Strategic Oversight: Ensuring the Cooperation Framework's alignment with national, regional, and international development processes, including national SDG targets in close coordination with the National Coordination Council for Sustainable Development (NCCSD);
- ➔ Progress Monitoring: Tracking progress, identifying challenges and opportunities, and steering implementation;

- ➔ Annual Review: Reviewing the UN Annual Results Report and providing guidance for implementation;
- ➔ Evaluation Oversight: Overseeing the independent evaluation of the Cooperation Framework, contributing to system-wide oversight, transparency, and accountability;
- ➔ Learning and Adaptation: Ensuring evaluation findings and recommendations are integrated into subsequent Cooperation Frameworks and UN System Organization decision-making

## 3.2 Cooperation Framework Management Structure

Under the auspices of the JSC, Results Groups (RG) will be established for each outcome area to oversee the implementation of the Cooperation Framework. Each RG will be co-chaired by a senior government official (at the level of Deputy Minister) and the Head of the relevant UN System Organization.

The RGs will comprise of all UN System Organizations contributing to each outcome area, along with their designated government counterparts. Each RG will convene regularly

to conduct joint planning, monitoring, and reporting under the Cooperation Framework. In preparation for the JSC meeting, the RGs will meet to assess implementation progress, identify and address challenges, and explore opportunities for joint programming and resource mobilization.

Any high-level policy or coordination issues will be elevated to the JSC for guidance. In addition, the RGs will meet as needed throughout the year to enhance coordination, respond to emerging challenges, and consider new joint initiatives.

The UNCT, under the leadership of the UN Resident Coordinator, will be responsible for the overall effectiveness of the United Nations development contributions and results, and will ensure that individual United Nations System Organization programming documents are derived from the Outcomes and Outputs of the Cooperation Framework.

The UNCT will also be organized in coordination groups to ensure coherent action on mandated cross-cutting issues, more specifically:

➔ UNCT Monitoring and Evaluation Group (MEG) – will be responsible for providing quality assurance of the monitoring of the Cooperation Framework Outcome and Output indicators, ensure correctness of the information in the UNINFO and support the evaluation of the Cooperation Framework.

➔ UNCT Operations Management Team (OMT) – will support and advise the UNCT in its efforts to harmonise business operations, annually review and report on the implementation of Business Operations Strategy, to ensure more focused, strategic, coherent, and cost-effective business operations.

➔ UNCT Communication Group (UNCG) – will support the UNCT to communicate the UN's results and contributions in a more coordinated way and will support joint advocacy efforts.

➔ UNCT Gender Thematic Group (GTG) – will support the UNCT in promoting gender equality and women's empowerment in a consistent and synergetic manner<sup>42</sup>.

➔ UNCT Human Rights Thematic Group (HRTG) – will support the UNCT in mainstreaming human rights across UN programmes and provide joint UN support to the Government and other stakeholders to participate in Human Rights Mechanisms.

➔ UNCT Disability Inclusion Group (DIG) – will coordinate and advance the implementation of the UN Disability Inclusion Strategy in Azerbaijan, promote inclusive programming, and strengthen engagement with organizations of persons with disabilities.

42. This function will be carried out in line with the UNSDG Standards and Procedures for GTGs. <https://unsdg.un.org/resources/gender-theme-groups-standards-and-procedures>

The UNCT will regularly assess its contributions to advancing gender equality across all outcome areas of the Cooperation Framework, in alignment with national commitments and UN normative standards. This will include the use of key accountability tools such as the UNCT System Wide Action Plan (SWAP) Gender Equality Scorecard and the Gender Equality Marker, as well as strengthened internal coordination to ensure a coherent and results-oriented approach to gender equality.

Building on the UN Youth Advisory Council (UNYAC) and existing youth coordination platforms, the UNCT will strengthen its engagement with young people to ensure more meaningful, inclusive, and structured participation in policy dialogue, and SDG implementation. UNCT members that are not physically present in Azerbaijan will participate in the coordination structures through virtual engagement in RGs and Thematic Working Groups, ensuring that their contributions are fully integrated into Cooperation Framework implementation.

To maximize efficiency and reduce transaction costs for stakeholders, the UN will leverage existing coordination mechanisms, promote joint planning and implementation, and streamline reporting processes. The UN Resident Coordinator and the UNCT will actively engage with civil society networks, young people, professional associations, research institutions, academia, and the private sector to foster multi-stakeholder partnerships, strengthen policy research, and advance development advocacy. Partnerships with International Financial Institutions (IFIs) and Multilateral Development Banks (MDBs) will be strengthened to support sustainable development financing in Azerbaijan.

### 3.3 Resourcing the Cooperation Framework

The financial requirements for implementing the Cooperation Framework will be outlined in the Multi-Year Funding Framework (MYFF)—a strategic tool that provides an overview of resources needed for the entire Cooperation Framework cycle. The MYFF will guide the Government and the UN System Organizations in identifying funding gaps, expanding partnerships, and aligning joint resource mobilization efforts.

The Government will support the UN System Organizations' efforts to raise funds required to meet the needs of this Cooperation Framework and will cooperate with the UN System Organizations including: encouraging potential donor Governments to make available to the UN System Organizations the funds needed to implement unfunded components of the programme; endorsing the UN's effort to raise funds for the programme from other sources, including the private sector both internationally and in Azerbaijan; and by permitting contributions from individuals, corporations and foundations in Azerbaijan to support this programme which will be tax exempt for the Donor, to the maximum extent permissible under applicable law.

The UN System Organizations will provide support to the development and implementation of activities within the Cooperation Framework, which may include technical support, cash assistance, supplies, commodities and equipment, procurement services, transport, funds for advocacy, research and studies, consultancies, programme development, monitoring and evaluation (M&E), training activities and staff support.

Part of the UN System Organizations' support may be extended to non-governmental and civil society organizations, in coordination with the Government and in full compliance with national regulations. Such support will be provided as agreed within the framework of individual workplans and project documents.

Additional support may include access to UN System Organization-managed global information systems, the network of the UN System Organizations' country offices and specialized information systems, including rosters of consultants and providers of development services. The UN shall appoint staff and consultants for programme development, programme support, and technical assistance.

Subject to annual reviews and progress in the implementation of the programme, the UN System Organizations' funds are distributed by calendar year and in accordance with the Cooperation Framework. These budgets will be reviewed and further detailed in the workplans and project documents. By mutual consent between the Government and the UN System Organizations, funds not earmarked by donors to UN System Organizations for specific activities may be re-allocated to other programmatically equally worthwhile activities.

### 3.4 Derivation of UN System Organization country programming instruments from the Cooperation Framework

The Cooperation Framework serves as the overarching platform for both collective and individual UN contributions to development

results in Azerbaijan. Its design process allowed all UN System Organizations to jointly reflect on how they can contribute to the Cooperation Framework's outputs, enabling each UN System Organization to align or derive its own programming documents accordingly. Some UN System Organizations - particularly those without a physical presence in the country - may not develop a standalone country programme document. However, by signing the Cooperation Framework, they commit to supporting its implementation in close coordination with the Government and other UN System Organizations.

Each UN System Organization's country programme document (or equivalent) will outline its contributions in alignment with its specific mandate. Progress will be reported annually through joint reporting under the Cooperation Framework, demonstrating how collective efforts are advancing shared results (see next chapter on monitoring and evaluation).

### 3.5 Joint Workplans

Joint Workplans (JWPs) will serve as the operational mechanism for delivering the Cooperation Framework. The JWPs will be developed on annual basis, under the leadership of the UN Resident Coordinator and the UNCT, to translate the strategic priorities and outcomes of the Cooperation Framework into concrete, coordinated actions.

The JWPs outline expected outputs, key contributions from UN System Organizations — delivered jointly or individually—while ensuring

alignment with national priorities and maximizing synergies to prevent duplication. They also provide a transparent overview of required and available resources, highlighting funding gaps.

To ensure that the JWPs remain responsive to Azerbaijan's evolving development landscape, the Results Groups will continuously review and adjust the JWPs based on emerging needs, national priorities, and global commitments, including the 2030 Agenda. This adaptive approach allows for increased joint delivery where needed, including the development of joint programmes that bring together multiple UN System Organizations and national partners to enhance efficiency and impact. Where appropriate, these joint programmes may be supported through pooled funding or other innovative financing mechanisms, and additional stakeholders such as government institutions, civil society organizations, and private sector actors may be engaged as implementing partners.

The JWPs will be recorded and digitalized in the global UN INFO<sup>43</sup> platform for online planning, monitoring and reporting.

UN INFO will ensure enhanced transparency and financial and programmatic accountability for results to the government, development partners (including donors), civil society, and most notably, the people of Azerbaijan.

## 3.6 Business Operations Strategy in support of the Cooperation Framework

The UN will continue implementing the Business Operation Strategy (BOS), which is a results-based framework to deliver on the UN efficiency agenda that focuses on joint business operations with the purpose of eliminating duplication, leveraging the common bargaining power of the UN and maximizing economies of scale. For that purpose, the OMT will review the BOS by identifying opportunities for high-impact common services to further harmonize business operations and increase cost-efficiencies, including through shared Long-Term Agreements (LTAs), car-pooling, and establishment of UN national staff rosters.

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43. UN INFO is part of the United Nations' efforts to improve coordination, transparency and accountability for results by tracking the UNSDG's contributions to Agenda 2030 and the SDGs (<https://uninfo.org/>)

# MONITORING, EVALUATION AND LEARNING

## 4.1 Monitoring in joint work plans

The Cooperation Framework Results Framework (see Annex 1) will serve as the primary tool for tracking progress towards the Cooperation Framework's outcomes and outputs. It defines the expected results, indicators, baseline and targets, providing a structured basis for monitoring, joint reviews, and reporting. The Results Framework will guide both periodic progress assessments and the annual review of achievements, serving as a shared accountability tool for all contributing entities.

Outcome-level indicators are drawn from Azerbaijan's national SDG indicator framework. Selection of indicators was based on their alignment with Cooperation Framework priorities, availability of disaggregated baseline data, and the existence of reliable data collection and reporting mechanisms.

Output-level indicators are aligned with the Global Output Indicator Framework to facilitate coherent reporting on the UN's contribution to SDG achievement at the global level. The UNCT will maximize the use of national statistical systems to strengthen data collection and analysis. Collaboration with the State Statistical Committee and research institutions will be deepened to address data gaps and enhance evidence-based decision-making.

The UNCT Monitoring and Evaluation Group (MEG) will provide technical support to UN System Organizations to promote the use of joint monitoring systems wherever feasible. MEG will coordinate the monitoring and measurement of progress toward the Cooperation Framework indicators, working closely with the Ministry of Economy and the State Statistical Committee. The UN Resident Coordinator's Office will serve as the chair and the secretariat of this group.

The Monitoring, Evaluation and Learning Plan provided in Annex 2 outlines key activities related to monitoring, evaluation and learning under the Cooperation Framework. It will be regularly updated to reflect the evolving roles of UN System Organizations and national counterparts, in line with the development of the national SDG monitoring and reporting system. The plan will cover UN System Organization-specific and joint surveys, studies, evaluations, and contributions to national monitoring systems as well as capacity-building initiatives in monitoring and evaluation.

Implementing Partners agree to cooperate with the relevant UN System Organizations for monitoring all activities supported by cash transfers and will facilitate access to relevant financial records and personnel responsible for the administration of cash provided by the UN System Organizations.

To that effect, Implementing Partners agree to the following:

1. Periodic on-site reviews and spot checks of their financial records by the relevant UN System Organizations or their representatives, as appropriate, and as described in specific clauses of their engagement documents/contracts with the relevant UN System Organizations;
2. Programmatic monitoring of activities following the relevant UN System Organizations' standards and guidance for site visits and field monitoring;
3. Special or scheduled audits. Each UN System Organization, in collaboration with other UN System Organizations (where so desired and in consultation with the respective coordinating Ministry) will establish an annual audit plan, giving priority to audits of Implementing Partners with large amounts of cash assistance provided by the UN System Organizations, and those whose financial management capacity needs strengthening.

## 4.2 Annual review and Country Results Reporting

The JSC, co-chaired by the UN Resident Coordinator and the Minister of Economy, will lead the annual review process, to assess achievements, challenges, opportunities and lessons learned, under each RG.

Information on deliverables and data on monitoring will be collected through UNINFO and will be the basis for discussion. Based on this review and the evolving country context (informed by the CCA annual update), adjustments to the Cooperation Framework and/or to the Joint Work Plan may be proposed to the JSC, to ensure continued relevance and effectiveness of UN support to the country. In particular, such adjustments may be considered if evidence suggests a revision of the ToC and, consequently, of the intervention strategies.

The outcomes of this process will be compiled in an Annual Results Report, which will be submitted, in its draft form, to the JSC meeting, where the report will be reviewed and endorsed. The JSC will also provide, based on the annual review findings, strategic guidance on the Cooperation Framework implementation.

The Annual Results Report will be made available both in Azerbaijani and English in the UN Azerbaijan website (<https://azerbaijan.un.org/en>) and the UNSDG platforms. The reports are an important accountability tool to inform relevant stakeholders (government, non-government, media, academia and international development partners) about the results achieved, the challenges encountered and the corrected course of action, if any. As the Cooperation Framework covers the whole spectrum of sustainable development, the Annual Results Reports will also provide a snapshot of UN's contributions to Azerbaijan's progress towards the SDGs.

### 4.3 Evaluation plan

In 2029, penultimate year of the Cooperation Framework implementation, an independent evaluation of the Cooperation Framework will be undertaken, as per the UNSDG guidelines. Under the leadership of the UN Resident Coordinator, the UNCT and EG will develop an evaluation plan, which will be submitted for validation and approval by the JSC.

The independent evaluation of the Cooperation Framework is a system-wide assessment of the UN's collective contribution to Azerbaijan's SDG achievements. The independent evaluation will be guided by the United Nations Evaluation Group's (UNEG) norms and standards, as well as the Development Coordination Office (DCO) Guidelines for the Evaluation of the United Nations Sustainable Development Cooperation Framework.

The findings and recommendations from the independent evaluation will provide evidence that will inform the future cooperation and partnership between the UN and the Government of Azerbaijan.

# Annexes

## Annex 1: Results Framework

National development priorities: Azerbaijan 2030: National Priorities for Socio-Economic Development, Socio-Economic Development Strategy 2022–2026, Employment Strategy of the Republic of Azerbaijan for 2019–2030, Digital Development Concept in the Republic of Azerbaijan 2025–2027, Artificial Intelligence Strategy of the Republic of Azerbaijan for 2025–2028

SDG targets: 2.a, 3.4, 3.c, 4.4, 5.5, 8.5, 8.6, 10.4, 11.a, 16.6

### Strategic Priority 1: Advancing inclusive socio-economic growth and human development

Results	National SDG indicators/Performance Indicators	Baseline (year)	Target	Source/ MoV/ Custodian	Assumption Statement
<b>Outcome 1</b> <b>By 2030, people in Azerbaijan, in line with the principle of Leaving No One Behind, benefit from inclusive socio-economic growth and equitable, quality services that are innovative, and accessible</b>	SDG 2.a.1 The agriculture orientation index for government expenditure	0.49% (2023)	0.65% (AZE's highest across 2010–2023)	SDG AZ STAT	Azerbaijan will continue its efforts to diversify its economy, thus increasing FDIs to non-oil sectors.
	SDG 3.4.1 Mortality rate attributed to cardiovascular disease, cancer, diabetes or chronic respiratory diseases, per 100,000 population (Disaggregate by age, disability, urban/rural, and others where possible)	Total: 449.2/100,000 Women: 426.6/100,000 Men: 471.9/100,000 (2023)	Total: 433.6/100,000 <sup>44</sup> Women: 419.9/100,000 Men: 447.3/100,000	SDG AZ STAT	Investments in social sector, digital transformation and innovation, and focus on human capital development will continue, alongside with a public sector reform to improve effectiveness at local/ subnational level.
	SDG 3.1.1 Maternal mortality ratio, by location, per 100,000 live births (Disaggregate by age, disability, and others where possible)	Total: 29.3 Urban: 23.9 Rural: 34.4 (2023)	Total: ≤15 p Urban: ≤10 Rural: ≤20	SDG AZ STAT	

44. The global SDG 3.4 target aims to reduce premature mortality from non-communicable diseases by one-third by 2030 compared to 2015 levels; for Azerbaijan, this would mean lowering the rate from 452 to around 302 deaths per 100,000. However, between 2015 and 2023, country achieved only a 0.6% reduction overall, with progress differing by sex: while the rate for women declined by 3.5%, the rate for men increased by 2.3%. Based on these diverging trends, a more realistic 2030 target would be 447.3 for men (a 3% reduction from the 2015 baseline) and 419.9 for women (a 5% reduction), resulting in a population-wide average of approximately 433.6 deaths per 100,000—reflecting modest yet achievable progress given current patterns. To move closer to the global reduction target, the country will need to significantly scale up prevention, early detection, treatment, and health system strengthening efforts focused on non-communicable diseases.

Results	National SDG indicators/Performance Indicators	Baseline (year)	Target	Source/ MoV/ Custodian	Assumption Statement
<b>Outcome 1</b> <b>By 2030, people in Azerbaijan, in line with the principle of Leaving No One Behind, benefit from inclusive socio-economic growth and equitable, quality services that are innovative, and accessible</b>	SDG 3.c.1 Health workers density and distribution per 10,000 population  (Disaggregate by urban/rural, and others where possible)	Total: 87.7/10,000  Doctors: 33/10,000 Paramedical personnel: 54.6/10,000  (2023)	Total: 110/10,000  Doctors: 45/10,000 Paramedical personnel: 80/10,000 (regional average and annual trends)	SDG AZ STAT	Azerbaijan will continue its efforts to diversify its economy, thus increasing FDIs to non-oil sectors. Investments in social sector, digital transformation and innovation, and focus on human capital development will continue, alongside with a public sector reform to improve effectiveness at local/ subnational level.
	SDG 4.4.1. Proportion of youth and adults with information and communications technology (ICT) skills, by type of skill (%) Age 15+; Youth 15-24  (Disaggregate by sex, disability, urban/rural, and others where possible)	Age 15+: 76.2% Youth 15-24: 93.8%  (2023)	Age 15+: 85% Youth 15-24: 97%  (annual trends)	SDG AZ STAT	
	Sex ratio at birth	113 male births for every 100 female births	105 male births for every 100 female births	State Statistics Committee	
	SDG 5.5.2 Proportion of women in managerial positions  (Disaggregate by age, disability, urban/rural, and others where possible)	36.4% (2023)	45% (regional average of top performers)	SDG AZ STAT	
	SDG 10.4.1 Labour share of GDP	25.% (2023)	30% (regional average and annual trends)	SDG AZ STAT	

Results	National SDG indicators/Performance Indicators	Baseline (year)	Target	Source/ MoV/ Custodian	Assumption Statement
<b>Outcome 1</b> <b>By 2030, people in Azerbaijan, in line with the principle of Leaving No One Behind, benefit from inclusive socio-economic growth and equitable, quality services that are innovative, and accessible</b>	SDG 8.5.1. Average hourly earnings of employees, by sex, age, occupation and persons with disabilities (AZN)  (Disaggregate by urban/rural, and others where possible)	Total: 6.2AZN Women: 5.1 AZN Men: 7 AZN (2023)	Total: 8.5 AZN Women: 8 AZN Men: 9 AZN  (annual trends) (aims to close the gender pay gap)	SDG AZ STAT	Azerbaijan will continue its efforts to diversify its economy, thus increasing FDIs to non-oil sectors.  Investments in social sector, digital transformation and innovation, and focus on human capital development will continue, alongside with a public sector reform to improve effectiveness at local/ subnational level.
	SDG 8.6.1 Proportion of youth (aged 15–24 years) not in education, employment or training, by sex  (Disaggregate by disability, urban/rural, and others where possible)	Total 19.5% Women: 20.6% Men: 18.6%  (2023)	Total 15% Women: 15% Men: 15%  (National Employment Strategy)	SDG AZ STAT	
	SDG 1.a.2 Proportion of total government spending on essential services (education, health, social protection and social security), in percentage	Total: 40.9% Education: 11.1% Healthcare: 4.3% Social protection and social security: 25.5%  (2023)	Total: ≥55% <sup>45</sup> Education: ≥15 % Healthcare: ≥10 % Social protection and social security: 30 %	SDG AZ STAT	

45. The 2030 targets are aligned with international benchmarks: the UNESCO/Incheon Declaration recommends that governments allocate 15–20 percent of total public expenditure to education; the WHO suggests that 10–15 percent be directed to health; and the ILO's Global Social Protection Report 2024–2026 indicates that upper-middle-income countries typically allocate 25–30 percent to social protection. The proposed targets for Azerbaijan under SDG indicator 1.a.2 are based on these standards.

Results	National SDG indicators/Performance Indicators	Baseline (year)	Target	Source/ MoV/ Custodian	Assumption Statement
<b>Outcome 1</b> <b>By 2030, people in Azerbaijan, in line with the principle of Leaving No One Behind, benefit from inclusive socio-economic growth and equitable, quality services that are innovative, and accessible</b>	SDG 16.6.2 Proportion of population satisfied with their last experience of public services (services provided by ASAN service <sup>46</sup> )  (Disaggregate by sex, age, disability, urban/ rural, and others where possible)	99.9% (2025)	100%	ASAN	Azerbaijan will continue its efforts to diversify its economy, thus increasing FDIs to non-oil sectors.  Investments in social sector, digital transformation and innovation, and focus on human capital development will continue, alongside with a public sector reform to improve effectiveness at local/ subnational level.
	SDG 11.a.1 Azerbaijan has national urban policies or regional development plans that (a) respond to population dynamics; (b) ensure balanced territorial development; and (c) increase local fiscal space	No (work started) (2025)	Yes	State Committee on Urban Planning and Architecture (SCUPA)	

46. While satisfaction with ASAN services is currently used as a proxy for SDG 16.6.2, it should be noted that ASAN does not cover all public services, and the methodology used does not align with official SDG metadata, which requires disaggregated data by service type (e.g. education, health, police) and representative population coverage; therefore, efforts should be made to calculate this indicator in line with global standards.

Results	National SDG indicators/Performance Indicators	Baseline (year)	Target	Source/ MoV/ Custodian	Assumption Statement
Output 1.1 Evidence-informed policies are developed, and implementation capacities are enhanced for inclusive urban and rural development, an enabling business environment, decent work and innovation	GOIF <sup>47</sup> 1.5 Number of people benefiting from income generating activities with UN's support  (Disaggregate by sex, age, disability, urban/rural, and others)	0 (FAO)  0 (UN Women)  (2025)	300 (at least 30% women) (FAO)  60 women (UN Women)	FAO  UN Women  MoV: Project beneficiary lists, project reports	Institutions at national and local level with appropriate capacities and data/information, will design and implement policies and regulations that foster inclusive economic growth. The development of policies, plans and strategies for urban and rural development (including aquaculture) and land management will create the framework for a more balanced development across the country's regions and an enabling environment for entrepreneurship, including value chain assessments, trade facilitation and support to innovative start-ups, will foster sustainable economic growth

47. The Global Output Indicator Framework provides inter-agency agreed, methodologically unified, harmonized list of quality-assured, SDG-focused corporate-level output indicators (A/RES/72/279 and A/Res/74/4). UNCTs are required to select a minimum of 15 indicators from the Menu of a total of 64 output indicators, for integration into the Cooperation Framework Results Framework/Joint Work Plans. More info here

Results	National SDG indicators/Performance Indicators	Baseline (year)	Target	Source/ MoV/ Custodian	Assumption Statement
Output 1.1 Evidence-informed policies are developed, and implementation capacities are enhanced for inclusive urban and rural development, an enabling business environment, decent work and innovation	GOIF 2.2 Number of rural organizations, government institutions and other relevant stakeholders with enhanced capacities for designing and implementing policies, strategies and programmes that improve productivity, net income and working conditions within the agrifood system, with UN's support	0 (FAO) (2025)	10 (FAO)	FAO  MoV: Capacity-building workshop reports, participant lists, post-training evaluations	Institutions at national and local level with appropriate capacities and data/information, will design and implement policies and regulations that foster inclusive economic growth. The development of policies, plans and strategies for urban and rural development (including aquaculture) and land management will create the framework for a more balanced development across the country's regions and an enabling environment for entrepreneurship, including value chain assessments, trade facilitation and support to innovative start-ups, will foster sustainable economic growth
	GOIF 4.3 Number of people directly benefiting from improved access to skills and lifelong learning programmes, developed and implemented with UN's support	0 (FAO)	2,000 (at least 30% women) (FAO)	FAO  UN Women	
	(Disaggregate by sex, age, disability, urban/ rural, and others)	0 (UN Women)  0 (OHCHR) (2025)	90 (UN Women)  2,500 (OHCHR)	OHCHR  ITU  MoV: Training records, participant lists, certification records, post-training assessments	

Results	National SDG indicators/Performance Indicators	Baseline (year)	Target	Source/ MoV/ Custodian	Assumption Statement
Output 1.1 Evidence-informed policies are developed, and implementation capacities are enhanced for inclusive urban and rural development, an enabling business environment, decent work and innovation	GOIF 5.2 Number of measures implemented with UN's support to: a) Eliminate gender-based discrimination and segregation in the labour market b) Increase women's access to and use of digital technologies, digital finance, ecommerce and digital value chains c) Ensure women's economic security and empowerment d) Address discriminatory gender and social norms, stereotypes and practices; and e) Promote the recognition, reduction, and redistribution of unpaid care and domestic work	a) 0 (UN Women) b) 0 (UN Women) c) 0 (UN Women) d) 0 (UN Women) e) 0 (UN Women)  (2025)	a) 2 (UN Women) b) 1 (UN Women) c) 1 (UN Women) d) 2 (UN Women) e) 1 (UN Women)	UN Women  MoV: Adopted policy documents, project/ programme reports, records of implemented measures	Institutions at national and local level with appropriate capacities and data/information, will design and implement policies and regulations that foster inclusive economic growth. The development of policies, plans and strategies for urban and rural development (including aquaculture) and land management will create the framework for a more balanced development across the country's regions and an enabling environment for entrepreneurship, including value chain assessments, trade facilitation and support to innovative start-ups, will foster sustainable economic growth
	GOIF 8.3 Number of cases in which business support organizations, workers' organizations and employers and business membership organizations have increased capacity to provide services to their members/clients to promote economic development, productive employment and decent work, as a result of UN's support	0  (2025)	5	ILO  MoV: Training reports, capacity assessment reports, stakeholder feedback, service improvement documentation	

Results	National SDG indicators/Performance Indicators	Baseline (year)	Target	Source/ MoV/ Custodian	Assumption Statement
	<p>GOIF 11.1 National urban policies (NUP) to support sustainable cities and communities and in accordance with international standards formulated, resourced, and implemented by the Government, with UN's support</p> <p>- 0. No, not existing,  - 1. Yes, Diagnosis, Feasibility or Formulation Phase,  - 2. Yes, Implementation Phase,  - 3. Yes, Monitoring and Evaluation Phase</p>	1  (2025)	2	<p>UN-Habitat</p> <p>MoV: Draft policy documents, approved urban development policies, national action plans</p>	
Output 1.2 National capacities are strengthened to design and deliver data-driven, high-quality, inclusive and people-centered public and social services, integrating digital solutions	GOIF 3.1 Number of national policies on health including overall health or specific health areas such as nutrition policies, physical activity, sexual and reproductive health, non-communicable and communicable diseases, in accordance with human rights standards are developed and adopted, supported by the UN	0  (2025)	2	<p>WHO</p> <p>MoV: Health policy documents, government publications</p>	Workforce will be in a better position to deliver quality services, having adequate capacities and tools, in particular digitalisation of services and innovative solutions, with the assumption that these will be more agile and be able to more easily reach all people. The availability of granular data and information, together with stronger capacities of national institutions will lead to an overall regulatory framework conducive to design and implement integrated services that can effectively reach all people.

Results	National SDG indicators/Performance Indicators	Baseline (year)	Target	Source/ MoV/ Custodian	Assumption Statement
	GOIF 3.2 Level of strength of the primary health care (PHC) system, achieved with UN's support <sup>48</sup>	Score: 14	Score: 16	WHO	
	1) Political commitment and leadership	1) 1	1) 1	MoV: PHC system assessment reports, programme reports, monitoring mission reports	
	2) Governance and policy frameworks	2) 1	2) 2		
	3) Funding and allocation of resources	3) 1	3) 1		
	4) Engagement of community and other Stakeholders	4) 2	4)2		
	5) Models of care	5) 2	5) 2		
	6) Primary health care workforce	6) 1	6) 1		
	7) Physical infrastructure	7) 1	7)1		
	8) Medicines and other health products	8) 1	8) 1		
	9) Engagement with private sector providers	9) 0	9) 0		
	10) Purchasing and payment system	10) 1	10) 1		
	11) Digital technologies for health	11) 1	11) 1		
	12) Systems for improving the quality of care	12) 1	12) 1		
	13) Primary health care-oriented research	13) 0	13) 1		
	14) Monitoring and evaluation	14) 1	14)1		
	Response options for levers: 0 (not engaged) 1 (advocating) 2 (contributing) 3 (leading)	(2025)			

48. The indicator measures engagement of the UN in any of the 14 levers of the 4)WHO/UNICEF operational framework for primary health care (PHC) with grades from 0 (not engaged) to 3 (leading)

Results	National SDG indicators/Performance Indicators	Baseline (year)	Target	Source/ MoV/ Custodian	Assumption Statement
Output 1.2 National capacities are strengthened to design and deliver data-driven, high-quality, inclusive and people-centered public and social services, integrating digital solutions	GOIF 3.3 Number of people benefiting from UN-supported health services: Mental Health  (Disaggregated by sex, age, disability, urban/rural, and others)	0  (2025)	100,000	WHO  MoV: service delivery records from health facilities, programme reports and monitoring data on mental health services utilization, anonymised beneficiary registers	
	GOIF 16.6 Number of people, who have access to justice, with UN's support  (Disaggregated by sex, age, disability, urban/rural, and others)	0 (OHCHR)  (2025)	6,000 (OHCHR)	OHCHR  MoV: legal aid service records, case management reports, disaggregated beneficiary tracking	
	GOIF 17.3 Data collection and analysis mechanisms/initiatives providing disaggregated data to monitor progress towards the SDGs and enhancing policy coherence for sustainable development, established/implemented with UN's support  Scale (Low, moderate, high)	Moderate  Number: 0 (FAO)  (2025)	High  1(FAO)	FAO  MoV: Established data systems documentation, data platform reports, SDG monitoring reports	

National development priorities: Azerbaijan 2030: National Priorities for Socio-Economic Development, Socio-Economic Development Strategy 2022–2026, NDC 3.0, COP presidency Initiatives, National Strategy for the Efficient Use of Water Resources 2024-2040, NAP

SDG targets: 6.5, 12.4, 13.1, 13.2, 15.1, 15.3

Strategic Priority 2: Promoting Ecosystems and Climate Resilience, Green Growth and Just Transition

Results	Performance Indicators	Baseline (year)	Target	Source/ MoV	Assumption Statement
<b>Outcome 2: By 2030, people in Azerbaijan, in line with the principle of Leaving No One Behind, benefit from green growth, just transition and strengthened ecosystems and climate resilience</b>	SDG 13.1.1 Number of deaths, missing persons and directly affected persons attributed to disasters per 100,000 population  (Disaggregate by sex, age, disability, urban/rural, and others where possible)	12.7/100,000 (2023)	Below 10/100,000 (annual trends) <sup>49</sup>	SDG AZ Stat	It is expected that prioritization of and commitment to climate agenda will continue, with increased in both public and private climate financing. Likewise, multi-sectoral coordination and cross-border cooperation, as well as development cooperation will be fostered.
	SDG 13.2.2 Total greenhouse gas emissions per year, by million tons (CO2 equivalent)	59.1 million tons (CO2 equivalent) (2022)	48.8 million tons (CO2 equivalent) (35% reduction from 1990 levels)	SDG AZ Stat	
	SDG 15.1.2 Proportion of specially protected nature areas in the total territory of the country	10.3% (2023)	15% <sup>50</sup>	SDG AZ Stat	
	15.3.1 Proportion of land that is degraded over total land area	12.9% (2022)	Below 8% <sup>51</sup>	SDG AZ Stat	

49. Since 2015, values have fluctuated between 9 and 18.5, averaging ~13.8.

50. [The Kunming–Montreal Global Biodiversity Framework](#) sets a global ambition to conserve at least 30 % of land and water areas by 2030. Many peer countries aim for around 17–30 % coverage by 2030.

51. Brings the country below the 2015 baseline of 9.6%.

Results	Performance Indicators	Baseline (year)	Target	Source/ MoV	Assumption Statement
	SDG 6.5.1 Level of application of integrated water resources management, in percentage	55.0% (2023)	65% (Azerbaijan Water Strategy)	SDG AZ Stat	
Output 2.1 National policies and capacities are enhanced to strengthen data driven preparedness, response and resilience to climate- and environmental-related risks and hazards across key sectors	GOIF 15.3 Number of hectares (ha) of degraded forest under a) Rehabilitation; b) Restoration, supported by the UN	0 (FAO) (2025)	50 ha (FAO)	FAO  MoV: Project implementation reports, field monitoring, photographic evidence, satellite imagery	Availability of innovative tools and methodologies to collect and analyse data, including GIS mapping, will allow national institutions to better monitor climate impact and plan accordingly. Supporting the national reporting to relevant international conventions will also facilitate such processes and provide reference to international good practices. Financing strategies, as well as capacities to access global funds, fund raising activities as well as advocacy for broader investments, will lead to expanding funding and ability to access the needed technology for a green transition. Equipping systems and workforce to maintain essential social services during emergencies, preparing proper contingency plans and adopting effective early warning system will reduce the impact of natural/climate hazards.

Results	Performance Indicators	Baseline (year)	Target	Source/ MoV	Assumption Statement
	<p>GOIF Inventory Indicator 1.5.4_3. Number of people that are covered by new early warning information through local governments or through national dissemination mechanisms, supported by the UN, in line with Sendai Framework<sup>52</sup></p> <p>(Disaggregate by sex, age, disability, urban/rural, and others)</p>	0 (2025)	4,5 ml	<p>UN-Habitat, UNEP</p> <p>MoV: early warning system coverage reports, community survey data, disaggregated beneficiary lists</p>	
	<p>GOIF Inventory Indicator 1.5.3_1 National and subnational authorities (bilateral, multilateral, and local) that have developed sound environmental data, statistics, scientific assessments and early warning systems (EWS), with UN support</p>	0 (FAO) (2025)	2 (FAO)	<p>FAO</p> <p>MoV: Environmental data systems documentation, reports,</p>	
Output 2.2 Capacities at national, regional and local levels are enhanced to support just transition, equitable access to and sustainable ecosystem management, based on climate resilience and circular economy principles	<p>GOIF 13.1 Extent that policy measures are in place to enable the enhancement and/ or implementation of NDCs under the Paris Agreement with UN's support</p> <p>Scale 0 = Not in place, 1 = Work started, 2 = Work in progress, 3 = Work almost complete, 4 = In place</p>	2 (work in progress) (2025)	4 (in place)	<p>FAO UNEP, IOM, UN-Habitat,</p> <p>MoV: Policy documents, implementation reports</p>	<p>Capacities will be strengthened and also innovative solutions piloted (with the assumption that they will be scaled up at the national level to have a meaningful contribution to this outcome) in various sectors, including climate smart agriculture, water efficiency, renewable energy, energy efficiency, e-mobility, biodiversity conservation, sustainable production, and waste management</p>

52. The GCF project that UNEP will implement in Azerbaijan will set up a whole new system of early warning. The project is about building physical capacity in terms of monitoring equipment which would help improve the wellbeing and disaster risk preparedness of the population at large.

Results	Performance Indicators	Baseline (year)	Target	Source/ MoV	Assumption Statement
	GOIF 15.1 Number of entities at the national level that have developed integrated approaches and tools for enhanced coordination, cooperation, and synergies for the coherent implementation of MEAs, supported by the UN	0 (FAO) (2025)	2 (FAO)	FAO UNECE  MoV: Project reports, coordination meeting minutes	
	GOIF 15.2 Area of terrestrial and marine protected areas created or under improved management practices (hectares), supported by the UN	0 (FAO)  783 ha (UNOPS) (2025)	137,530 ha (FAO) (of terrestrial protected areas, covering Shirvan, Hirkan, and Zangazur National Parks)  50,783 ha (UNOPS) (of marine protected area Absheron National Park)	FAO UNOPS  MoV: Protected area records, site-specific assessments, project reports	

Results	Performance Indicators	Baseline (year)	Target	Source/ MoV	Assumption Statement
	GOIF Inventory Indicator 3.9.2_3 Degree of integrated water resource management implementation, with UN support <sup>53</sup>  (Scale 1-100)	47/100  (2025)	70/100	UNECE, UN-Habitat, UNEP, FAO  MoV: programme monitoring reports, assessment reports, progress reviews, stakeholder consultations and feedback	
	GOIF Inventory Indicator 6.1.1_3 Number of people reached with at least basic drinking water services that are safe and available when needed with UN support  (Disaggregate by sex, age, disability, urban/rural, and others)	0 (IOM)  (2025)	9,632 (IOM)	IOM  MoV: Service delivery records, community beneficiary lists, project monitoring reports	

53. This corresponds to Azerbaijan's IWRM implementation score as measured under the global SDG indicator 6.5.1 framework. UNEP will support the improvements in water governance, coordination and data availability to help achieve this target.

Results	Performance Indicators	Baseline (year)	Target	Source/ MoV	Assumption Statement
	GOIF Inventory Indicator 2.4.1_3 Areas of land (ha) brought under climate-resilient management, with UN support	0 (2025)	2,900 ha (FAO)	FAO  MoV: Project implementation reports, field verification reports	
Output 2.3 Individuals and communities have acquired essential knowledge, skills, values, and attitudes for environmental management and climate action	GOIF 12.3 Number of people directly benefitting from initiatives, with UN's support, to protect nature and promote sustainable use of resources  (Disaggregated by sex, age, disability, urban/rural, and others)	0 (FAO)  0 (UN Women)  (2025)	250 (at least 30% women) (FAO)  50 (at least 80% women) (UN Women)	FAO  UN Women  MoV: Project reports, activity documentation, participant lists, beneficiary feedback	Mainstreaming climate at all levels of formal, informal, and non-formal education and learning, curricula, carrying out awareness raising campaigns, but also by supporting the government's leadership in hosting regional and international events that will continue to place climate change on the forefront of the national agenda, will foster behavioural change towards CC adaptation and mitigation.
	GOIF Inventory Indicator 12.a.1_1 Number of sector-specific training programmes offered by state institutions on natural resources management (including climate change adaptation, biodiversity conservation, chemicals management, renewables, Disaster Risk Management (DRM) and emergency response preparedness), with UN support	0 (IOM)  0 (FAO)  (2025)	1 (IOM)  3 (FAO)	IOM  FAO  MoV: Training programme reports, participant lists, evaluation forms, institutional training records	

## Annex 2: Monitoring, Evaluation and Learning Plan

Description of Activities	Objective	Frequency	Lead	Contributors/ Support	2026	2027	2028	2029	2030
<b>Data and Research</b>									
<b>CCA update:</b> update data and analysis (including SDG-related data) and assess changes in the national context	To ensure the UN Cooperation Framework and related programming remain relevant and responsive to evolving national priorities and development needs	Annual	RCO	CCA Taskforce	•	•	•	•	•
<b>VNRs:</b> support Azerbaijan's assessment of its progress towards the SDGs	To contribute to an evidence-based review of national SDG implementation and support informed reporting to global platforms.	When/if planned	RCO	MEG	○	○	○	○	○
<b>Data Collection:</b> support government and national counterparts in strengthening data collection and analysis processes across thematic sectors	To enhance the availability of accurate, timely, and relevant data for evidence-based policymaking, planning, and sustainable development.	As needed	Relevant UN System Organizations	RCO	•	•	•	•	•
<b>Research and Assessments:</b> conduct studies, and diagnostics to generate evidence for informed decision-making and strategic planning (including the SDG Dialogue Policy Briefs)	To generate robust evidence and data to guide strategic planning, inform policy dialogue, and support effective implementation of the CF	As needed	Relevant UN System Organizations	RCO	•	•	•	•	•

Planning and Monitoring					
<p><b>Development, Update, and Quality Assurance of JWPs:</b> prepare, update, and review JWPs to translate the CF into actions, ensure quality monitoring, and foster collaboration</p>	<p>To operationalize the CF, promote joint planning, and maintain quality standards for results monitoring</p>	Annual	RGs	MEG, RCO, Thematic groups	• • • • •
<p><b>Monitoring and Reporting in the JWP on UNINFO:</b> collect, update, and report UN System Organization-specific and joint results on UNINFO</p>	<p>To ensure consistent tracking, coherent monitoring, and transparent reporting of JWP progress through indicators, sub-outputs, outputs, and financial data. To improve UNCT coherence, transparency, and accountability.</p>	Annual and continuous	MEG	Result Groups, RCO	• • • • •
Review and Reporting					
<p><b>Annual Review:</b> review achievements per outcome area to inform UN annual results reporting and identify areas for improvement</p>	<p>To ensure systematic tracking of progress and strengthen evidence-based reporting</p>	Annual	RGs	MEG, Thematic Groups, RCO	• • • • •
<p><b>Development of UN Annual Results Report:</b> report annually on system-wide results achieved under the CF, reflecting progress, challenges, and lessons learned and propose amendments if any</p>	<p>To ensure transparent reporting on UNCT's collective contributions to CF results</p>	Annual	UNCT	RGs, MEG, Thematic Groups, RCO	• • • • •

<p><b>Joint UN-Government Steering Committee meeting:</b> review and endorse the CF results and new JWPs, and any amendments to the CF and/or workplans</p>	<p>To ensure shared accountability, strengthen partnerships, and adapt the Cooperation Framework based on performance evidence</p>	<p>Annual</p>	<p>JSC</p>	<p>UNCT, RGs, MEG, Thematic Groups, RCO</p>	<p>• • • • •</p>
<p><b>Independent evaluation of UN System Organization projects and programmes (including Joint Programmes):</b> assess effectiveness of interventions, generate lessons learned and recommendations, raise accountability to inform next generation of projects/programmes</p>	<p>To track progress, improve effectiveness, and foster accountability</p>	<p>Programme/Project cycles</p>	<p>Independent evaluation teams</p>	<p>UN entities, MEG, RCO</p>	<p>○ ○ ○ ○ ○</p>
<p><b>Independent evaluation of the CF:</b> commission an independent evaluation of the CF to assess collective UN impact, ensure accountability, and gather insights for the next cycle</p>	<p>To enhance system-wide accountability and inform the design of the next CF with evidence and lessons learned</p>	<p>Penultimate year of the CF</p>	<p>Independent evaluation team</p>	<p>RCO, RGs, MEG, Evaluation Steering Committee, Evaluation Technical Group, Evaluation Manager, DCO Evaluation Team</p>	<p>•</p>

<p><b>Independent Evaluation of UN System Organizations' country programming instruments:</b> evaluate agencies' country programmes to assess their individual and collective contributions to national development and CF outcomes</p>	<p>To ensure UN System Organization-level accountability and capture lessons to enhance contributions to Cooperation Framework results</p>	<p>Penultimate year of the country programming instruments</p>	<p>Independent evaluation teams</p>	<p>UN System Organizations</p> <p>○ ○ ○ ○ ○</p>
<p><b>Learning</b></p>				
<p><b>Management Response and Action Plan to CF Evaluation:</b> Develop and implement a management response and action plan to address the recommendations from the CF evaluation</p>	<p>To ensure follow-up and implementation of CF evaluation's recommendations</p>	<p>Post CF Evaluation</p>	<p>Evaluation Steering Committee, Evaluation Technical Group, Evaluation Manager</p>	<p>RCO, RGs, MEG, DCO Evaluation Team</p> <p>•</p>
<p><b>Training/refresher on UNINFO:</b> conduct technical training/refresher sessions to build capacity on UNINFO planning and reporting requirements and methodologies, including on Gender Equality Marker (and other markers)</p>	<p>To ensure accurate, timely, and standardized reporting on UNINFO</p>	<p>Annual and/or as needed</p>	<p>RCO</p>	<p>MEG, GTG</p> <p>• • • • •</p>

<p><b>Training/refresher on Results-Based Management (RBM):</b> Deliver training/refresher sessions on RBM, monitoring principles and data collection methods to enhance capacity indicator tracking and result reporting</p>	<p>Strengthen staff capacity for effective monitoring and accurate reporting on CF results and indicators</p>	<p>Annual and/or as needed</p>	<p>RCO, MEG</p>		<p>• • • • •</p>
<p><b>Knowledge management and sharing:</b> maintain a mechanism to document, analyse, and share best practices and lessons learned throughout the CF cycle; facilitate learning sessions on UN 2.0 priorities to build collective understanding and practical application across programming and coordination.</p>	<p>To promote continuous learning, enhance performance, and inform programme design and implementation</p>	<p>Continuous</p>	<p>MEG</p>	<p>UNCT, RCO</p>	<p>• • • • •</p>

## Annex 3: Legal Annex

Whereas the Government of the Republic of Azerbaijan (the “Government”) has entered into the agreements listed below with the United Nations, including its Funds, Programmes and other subsidiary organs, and other organizations of the United Nations system (“UN System Organizations”), which are applicable to their programme activities in the Republic of Azerbaijan (the “UN Agreements”) under the United Nations Sustainable Development Cooperation Framework (the “Cooperation Framework”);

Whereas the UN Agreements, together with the Convention on the Privileges and Immunities of the United Nations of 13 February 1946 (the “General Convention”) and/or the Convention on the Privileges and Immunities of the Specialized Agencies of 21 November 1947 (the “Specialized Agencies Convention”) as applicable, form the primary existing legal basis for the relationship between the Government and each UN System Organization for supporting the country to deliver on the Cooperation Framework, and are non-exhaustive and without prejudice to any other legal instruments the Government may enter into, including additional agreements with UN System Organizations for the purpose of their activities in the country:

- a. With the Food and Agriculture Organization of the United Nations (FAO), an Agreement for the establishment of an FAO Partnership and Liaison Office and Provision of Technical Assistance concluded between the Government and FAO on 25 May 2015.
- b. With the World Health Organization (WHO), a Basic Agreement concluded between the Government and WHO on 2 September 2003.
- c. With the Office of the United Nations High Commissioner for Human Rights (OHCHR) that operates as a part of the OHCHR Regional Presence in the South Caucasus supporting the work of the OHCHR Regional Human Rights Advisor, deployed based on exchange of letters with the Member States in 2007, to provide technical assistance and advisory expertise in strengthening national capacities to promote and protect human rights, as well as to support and assist the UN Resident Coordinators and members of the UN Country Teams in the South Caucasus.
- d. With the International Organization for Migration (IOM), a Cooperation Agreement signed between the Government and IOM on 8 December 1999.
- e. With the International Labour Organization (ILO), a Cooperation Agreement signed between the Government and ILO on 3 July 1993.
- f. For all other UN System Organizations, including but not limited to the United Nations Office for Project Services (UNOPS) and other non-resident UN System Organizations, assistance to the Government shall be made available subject to the availability of funds and shall be furnished and received in

accordance with the relevant and applicable resolutions and decision of the competent UN System Organization's governance structures.

With respect to all UN System Organizations: Assistance to the Government shall be made available and shall be furnished and received in accordance with the relevant and applicable resolutions, decisions, rules and procedures of each UN System Organization.

Without prejudice to the above, the Government shall: (i) apply to each UN System Organization and its property, funds, assets, officials and experts on mission the provisions of the General Convention and/or the Specialized Agencies Convention; and (ii) accord to each UN System Organization, its officials and other persons performing services on behalf of that UN System Organization, the privileges, immunities and facilities set out in the UN Agreement applicable to such UN System Organization.

United Nations Volunteers performing services on behalf of a UN System Organization shall be entitled to the privileges and immunities accorded to officials of such UN System Organization.

Any privileges, immunities and facilities granted to a UN System Organization under the Cooperation Framework shall be no less favourable than those granted by the Government to any other UN System Organization signatory of the Cooperation Framework.

Without prejudice to the UN Agreements, the Government shall be responsible for dealing with any claims which may be brought by third parties against any of the UN System Organizations and their officials, experts on mission or other persons performing services on their behalf, and shall hold them harmless in respect of any claims and liabilities resulting from operations under the Cooperation Framework, except where it is mutually agreed by the Government and the relevant UN System Organization(s) that such claims and liabilities arise from gross negligence or misconduct of that UN System Organization, or its officials, or persons performing services.

Nothing in or relating to this Cooperation Framework shall be deemed: (i) a waiver, express or implied, of the privileges and immunities of any UN System Organization; or (ii) the acceptance by any UN System Organization of the jurisdiction of the courts of any country over disputes arising from this Cooperation Framework, whether under the General Convention or the Specialized Agencies Convention, the UN Agreements, or otherwise, and no provisions of this Cooperation Framework shall be interpreted or applied in a manner, or to an extent, that is inconsistent with such privileges and immunities.





UN-HABITAT

# UN-Habitat's **STRATEGIC PLAN** 2026-2029





# Foreword

We are living through a global housing crisis. Out of every eight persons today, at least three do not have access to adequate housing, and out of every four persons, at least one is living in an informal settlement or slum, and hundreds of millions live homeless. In this context, far too many people in our world are deprived of dignity, safety, stability, and opportunity. Without action, this crisis will inevitably undermine efforts to deliver global development agendas today and tomorrow.

That is why, at UN-Habitat, we are going back to the basics. Since UN-Habitat's establishment, housing has been at the core of our mandate. Over five decades, we have developed deep expertise and knowledge on housing, while also leading the delivery of impact in countries across all regions. Building on this, our strategic plan 2026-2029 has a central focus on housing, land and basic services as essential enablers for sustainable cities and communities. Unless we address gaps in these areas, it is not possible to tackle key global challenges including poverty, climate change and humanitarian crises.

Housing is recognized as a human right in the Universal Declaration of Human Rights and the International Covenant on Economic, Social and Cultural Rights. The New Urban Agenda and the 2030 Agenda for Sustainable Development are also explicit in their focus on adequate housing. Member States have further renewed calls to action. Through resolutions adopted at the second United Nations Habitat Assembly in 2023, 193 countries asked UN-Habitat to deepen its work on advancing adequate housing for all and the transformation of informal settlements and slums. They established the Open-ended Intergovernmental Working Group on Adequate Housing for All, a historic and unique platform to advance commitment and action, enabling Member States to confront the global housing crisis together. Further, through the Pact for the Future, Member States committed to ensure access for all to adequate, safe and affordable housing.

However, we must do more given the persistence and magnitude of the global housing crisis. We need to face it frontally and centrally, with bold and innovative solutions. How we plan and manage our cities is critical for access to adequate housing. Policies that recognize and preserve the economic, ecological and social functions of land as per the New Agenda are essential, including to unlock much needed finance and revenues and prevent sprawl. The role of local and regional governments within a multilevel governance approach is indispensable. We must also base decisions on robust knowledge, data and innovation, while transforming skills through capacity development. Change also requires us to join hands through stronger coalitions and partnerships. Importantly, resources must not only be mobilized but used better. All these ingredients are at the centre of the means of implementation of our strategic plan 2026-2029.

Adequate housing means more than walls and a roof – it is a powerful determinant of individual, community, and national well-being and a foundation of sustainable development. This is why we must see housing as a public good, anchored in sound policy and inclusive governance. Housing is the roof of the Sustainable Development Goals and a necessary means of achieving them. By placing housing at the centre of development, it is possible to create a virtuous cycle that uplifts individuals, empowers communities, and drives inclusive and sustainable growth at all levels. Let's join hands in making this possible. At UN-Habitat, we stand ready to walk this journey with all relevant stakeholders and partners through the implementation of our strategic plan 2026-2029.



**Anacláudia Rossbach**  
Executive Director, UN-Habitat

# A global housing crisis



An estimated 2.8 billion people worldwide are affected by different forms of housing inadequacy, which represents a massive development challenge shared by humanity. This number is expected to grow due to population growth, increasing urbanization, forced displacement and economic pressures, among other drivers. The plight of 1.1 billion people living in informal settlements and slums and more than 300 million homeless people calls for urgent and effective collective action. This strategic plan responds to the global housing crisis.

The global housing crisis is compounded by three converging global challenges: poverty and inequality, climate change, and crises – both natural and human-made. Today, 700 million people still live below the international extreme poverty line. Exposure to the effects of climate change is critical with 92 per cent of the people settled in low-elevation coastal zones living in urban centres. Meanwhile, conflict has displaced over 100 million people.

In this context, adequate housing is increasingly out of reach, especially for people living in vulnerable situations. The right to adequate housing, derived from the right to an adequate standard of living, is thus not realized for many throughout the world.

## THE SEVEN ASPECTS OF ADEQUATE HOUSING



# Why housing must be at the centre



Putting housing at the centre of policy responses at all levels is a must.

Many of the goals of the 2030 Agenda for Sustainable Development cannot be achieved if people lack adequate housing. Adequate housing is not just shelter – it is essential for health, education, dignity, safety and social inclusion and therefore a foundation for human dignity, security, and well-being.

Addressing the global housing crisis and challenges related to poverty, climate change and humanitarian crises is key to ensuring that cities and human settlements are sustainable, equitable and resilient spaces, and that we nurture communities where no one is left behind, as envisaged in SDG 11.



# The change we seek



UN-Habitat's Strategic Plan 2026–2029 responds to the global housing crisis and the wider challenges of poverty, inequality, climate change, and crises. The plan seeks to transform lives by expanding access to adequate housing, land, and basic services, with particular focus on people in vulnerable situations, including those living in informal settlements and slums, and those affected by humanitarian emergencies and climate impacts. By advancing these priorities, UN-Habitat contributes to the realization of the New Urban Agenda and accelerates progress towards Sustainable Development Goal 11.

Through this Strategic Plan, UN-Habitat aims to improve people's lives by tackling three key global challenges through enabling:

## ▣ **Equitable and inclusive prosperity for poverty eradication:**

Adequate housing opens the path out of poverty, giving people access to opportunities and a stable foundation to thrive across generations while serving as a powerful economic asset for communities and countries.

- ▣ **Environment and climate action:** Sustainable housing design, construction materials and land use have the power to significantly reduce cities' carbon footprint and enhance resilience to environmental shocks, positioning urban areas as engines of climate action and ecological sustainability.

## ▣ **Preparedness, response, recovery, and reconstruction:**

Better access to adequate housing, basic services, land, and property rights for affected, migrants, refugees, and internally displaced persons – integrated into urban and territorial planning – are essential for preventive risk reduction, effective post-crisis response and inclusive long-term recovery.



**ADEQUATE HOUSING AS  
A CATALYST ACROSS  
THREE IMPACT AREAS**

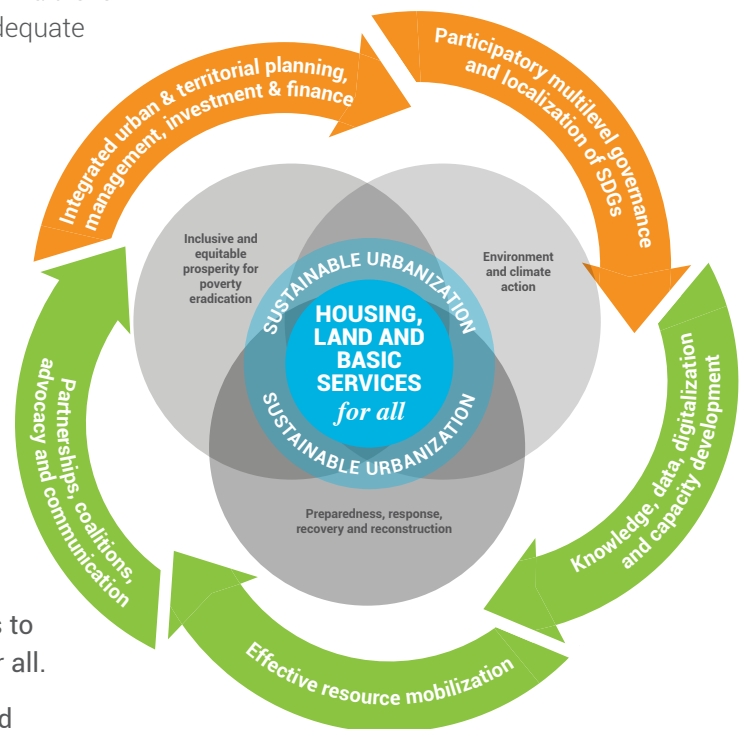
# How we get there



The world faces a storm of converging crises related to poverty eradication, crises emerging from climate change, disasters and conflict, and the environment. UN-Habitat makes a unique contribution by addressing the urban and territorial dimensions of these challenges, as well as their solutions. It supports Member States and other actors to respond to these global challenges by enabling sustainable urbanization, leveraging the central role of adequate housing and of the transformation of informal settlements and slums.

At its core, UN-Habitat's approach is people-centred and anchored in international human rights law, guided by the New Urban Agenda and the Sustainable Development Goals, and focuses on five main priorities to implement the strategic plan.

- 1. Integrated urban and territorial planning, management, investment and finance:** Spatial development plans, policies and legislation, planning systems and finance frameworks foster the social and ecological functions of land and catalyse public and private investments for access to adequate housing, land and basic services for all.
- 2. Participatory multilevel governance and localization of the Sustainable Development Goals:** Participatory multilevel governance mechanisms support access to adequate housing, land and basic services for all, the mainstreaming and achievement of gender equality and the empowerment of women and girls, and accelerate the localization of the Sustainable Development Goals.
- 3. Knowledge, data, digitalization and capacity development:** Improved knowledge and capacities inform evidence-based, innovative policies on access to adequate housing, land and basic services for all.
- 4. Partnerships, coalitions, advocacy and communication:** Increased awareness and transparency and strengthened collaboration among relevant stakeholders promote access to adequate housing, land and basic services for all.
- 5. Effective resource mobilization:** Increased and predictable resources for UN-Habitat and its partners advance access to adequate housing, land and basic services for all.



# Our offer



UN-Habitat invites all relevant stakeholders to partner and collectively shape a better future where everyone everywhere has access to adequate housing, land and basic services. For this, UN-Habitat offers an opportunity to:

- ▣ **ACT:** With advisory services, norms and standards to help design and implement policies and programmes.
- ▣ **LEARN:** Through capacity development, knowledge exchange co-creation and peer learning to enhance skills, leadership, and institutionalization.
- ▣ **SHARE:** Through the dissemination and uptake of practices and solutions to address complex challenges.
- ▣ **PARTNER:** By mobilizing and collaborating with relevant stakeholders to coordinate efforts and maximize impact.
- ▣ **ADVOCATE:** By raising awareness, amplifying voices and informing policy debates for action.
- ▣ **TRACK:** By leveraging data and evidence to understand key trends and opportunities and inform policy choices.

## A CATALYST FOR CHANGE: THE WORLD URBAN FORUM



Held every two years in cities around the world, the World Urban Forum (WUF) is a critical platform to mobilize stakeholders and advocate for housing, land and basic services for the implementation of UN-Habitat's strategic plan 2026–2029. WUF is a core mechanism through which stakeholders provide input into UN-Habitat's normative work and leverage expertise and partnerships for global impact. As such, it is a powerful platform that can drive action, commitment and change to solve the global housing crisis.

Established by the United Nations General Assembly in 2001 and convened by UN-Habitat, the World Urban Forum – the world's premier conference on sustainable urbanization – is a unique platform to connect, learn and share best practices on adequate housing and sustainable cities and communities.

# Delivering for impact

UN-Habitat will deliver impact aligned with the ambitions of the New Urban Agenda and the SDGs. An impact-driven approach will be applied through deliberate and continuous integration of impact considerations across the lifecycle of programming. This implies moving from a linear post-facto approach to impact tracking to a more dynamic, holistic, and continuous process. It further requires stronger collaboration with relevant stakeholders in strengthening the impact focus of programme delivery.



# Making it happen: Our global reach

UN-Habitat has its headquarters in Nairobi, Kenya, as well five regional offices – one for Latin America and the Caribbean in Rio de Janeiro, Brazil, one for Asia and the Pacific in Fukuoka, Japan, one for the Arab States in Cairo, Egypt, one for Africa in Nairobi, Kenya, and one for Eastern Europe and Central Asia in Istanbul, Türkiye. UN-Habitat also has liaison offices in New York, Geneva and Brussels.

Globally, UN-Habitat works in over 100 countries to promote transformative change in cities and human settlements through knowledge, policy advice, technical assistance and collaborative action. Through country offices in 69 countries and activities in 42 countries, UN-Habitat is a leading partner for national, local and regional governments and all relevant stakeholders on advancing solutions for sustainable cities and communities and adequate housing for all.

NORTHERN  
AMERICA

LATIN AMERICA  
AND  
THE CARIBBEAN

## OFFICE PRESENCE

Afghanistan	Germany	Mexico	State of Palestine
Angola	Ghana	Mongolia	Sudan
Azerbaijan	Guinea-Bissau	Morocco	Switzerland
Bahrain	India	Mozambique	Syrian Arab Republic
Belgium	Iran (Islamic Republic of)	Myanmar	Thailand
Brazil	Iraq	Namibia	The Gambia
Burkina Faso	Japan	Nepal	Togo
Cabo Verde	Jordan	Nigeria	Tunisia
Cambodia	Kenya	Pakistan	Uganda
Cameroon	Kingdom of Saudi Arabia	Philippines	Ukraine
Canada	Kosovo*	Russian Federation	United States of America
China	Kuwait	Sao Tome and Principe	Viet Nam
Colombia	Lao People's Democratic Republic	Senegal	Yemen
Comoros	Lebanon	Sierra Leone	Zambia
Côte d'Ivoire	Madagascar	Somalia	Zimbabwe
Democratic Republic of the Congo	Malawi	South Sudan	
Egypt	Mali	Spain	
Ethiopia	Mauritania	Sri Lanka	



**COUNTRY OPERATIONS**

Argentina	Cuba	Kyrgyz Republic	Serbia
Armenia	Dominican Republic	Libya	Solomon Islands
Bangladesh	Ecuador	Malaysia	South Africa
Belize	El Salvador	Moldova	Tajikistan
Bolivia	Fiji	Nicaragua	Tanzania
Bosnia and Herzegovina	Gabon	Niger	Trinidad and Tobago
Botswana	Georgia	Oman	Turkmenistan
Central African Republic	Guatemala	Panama	United Arab Emirates
Chad	Honduras	Paraguay	Uzbekistan
Congo (Republic of the Congo)	Indonesia	Peru	
Costa Rica	Kazakhstan	Rwanda	

\*Any reference to Kosovo in UN documents and UN websites, whether to the territory, institutions or population, is to be understood in full compliance with Security Council resolution 1244 (1999) and without prejudice to the status of Kosovo. Kosovo is therefore not listed as a country.

The boundaries and names shown and the designations used on this map do not imply official endorsement or acceptance by the United Nations. Final boundary between the Republic of Sudan and the Republic of South Sudan has not yet been determined. Final status of the Abyei area is not yet determined.

**BASE MAP** Map, No. 4170 Rev. 19 UNITED NATIONS - October 2020 Office of Information and Communications Technology | Geospatial Information Section  
The boundaries and names shown, and the designations used on this map do not imply official endorsement or acceptance by UN-Habitat.

# Join us

to make a tangible difference  
in creating a world where  
everyone has a safe and  
affordable place to call home.  
Partner with us and be a part  
of the solution.



UN-HABITAT

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## UNITED NATIONS HUMAN SETTLEMENTS PROGRAMME

P.O. Box 30030, Nairobi 00100, Kenya  
E: [unhabitat-info@un.org](mailto:unhabitat-info@un.org)



UN-HABITAT



@UNHABITAT



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1818 H Street, NW  
MSN N6-600  
Washington, DC 20006 USA  
[afbsec@adaptation-fund.org](mailto:afbsec@adaptation-fund.org)

15 December 2025

Ref: 2025/190

Mr. Rafael Tuts  
Director, Global Solutions Division  
UN-Habitat  
P.O. Box 30030-00100 Nairobi  
Kenya  
[raf.tuts@un.org](mailto:raf.tuts@un.org)

Re: Request for seven-months postponement of project inception date: “Building Climate Resilient Cities and Communities in the Republic of Azerbaijan”

Dear Mr. Tuts,

I am writing regarding the request for a postponement of the project inception date submitted by the United Nations Human Settlements Programme (UN-Habitat) for the project “*Building Climate Resilient Cities and Communities in the Republic of Azerbaijan*” implemented in Azerbaijan.

At its forty-fourth meeting, the Adaptation Fund Board considered and approved the Policy on Project Post-Approval Requests for Changes in Projects/Programmes and the Policy for Project/Programme Delays.<sup>1</sup> These policies aim to streamline and clarify the procedures for requesting changes to approved project and programme.

In accordance with Board Decision B.44/44 and the criteria set out in the Policy on Project Post-Approval Request for Changes in Projects/Programmes, minor requests are defined as any cumulative modification that does not significantly alter the project's scope, budget, expected outcomes, objectives, or risk profile. Additionally, by the same decision, the Board has authorized the Secretariat to clear Implementing Entity's requests for minor changes.

Following a thorough review, the Secretariat has found the request to meet the criteria for a minor revision. Therefore, on behalf of the Secretariat, I am pleased to inform you that the request for a postponement of the project inception date from 31 October 2025 to 29 May 2026 has been cleared by the Secretariat per Decision B.44/44 and the Policy for Project/Programme Delays as detailed in Annex I.

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<sup>1</sup> Available at <https://www.adaptation-fund.org/documents-publications/operational-policies-guidelines/>.

Please do not hesitate to contact the Adaptation Fund Board Secretariat should you have any questions or require further clarification.

Sincerely,



Mikko Ollikainen  
Manager  
Adaptation Fund Board Secretariat

Copy to Designated Authority of the Adaptation Fund:  
Mr. Toghrul Feyziyev, [ecofriendly.aze@gmail.com](mailto:ecofriendly.aze@gmail.com)

## Annex I: Clearance of minor request for postponement of project inception date



### ADAPTATION FUND

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Adaptation Fund Board Secretariat

***Approval of request for postponement of project inception date: United Nations Human Settlements Programme (Azerbaijan)***

***Weight of request:*** Minor

***Summary of request***

On November 2025, the United Nations Human Settlements Programme (UN-Habitat) submitted a second notification for a postponement of project inception for the project, “Building Climate Resilient Cities and Communities in the Republic of Azerbaijan” implemented in Azerbaijan. According to the memo provided by UN-Habitat, and similarly with the first request, the delay is attributed to challenges encountered during the national clearance process. Specifically, the project inception workshop can only be held following the review and endorsement of the project by the Cabinet of Ministers, which has not yet been secured. UN-Habitat is currently engaging with the Designated Authority, who has recommended scheduling the inception workshop for early 2026, to take into account a series of upcoming international events that also require the Cabinet of Ministers’ review and endorsement.

***Secretariat’s review of the request***

The Secretariat has reviewed the request and the reasons provided by UN-Habitat and considers the request for a postponement of the project inception date to be justified. It also acknowledges that the DA has been duly notified, in line with the Policy for Project/Programme Delays (Amended, 2025).

***Conclusion***

*Following the review of the request for a postponement of the project inception date from 31 October 2025 to 29 May 2026 submitted by UN-Habitat for the project “Building Climate Resilient Cities and Communities in the Republic of Azerbaijan” implemented in Azerbaijan, the request has been cleared by the Secretariat as per Decision B.44/44 and the Policy for Project/Programme delays.*

***Clearance: AFBSEC-2025-22***