

UDC 32

THE ROLE OF GOOD GOVERNANCE IN SUSTAINABLE DEVELOPMENT: GOOD GOVERNANCE AGENDA OF THE REPUBLIC OF AZERBAIJAN

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Last three decades sustainable development principles integrated into public policies and sustainable development concepts and strategies elaborated all over the world. The Millennium Development Goals (MDG) declared at the Millennium Summit of the United Nations addressed the global issues of sustainability that affect our planet. MDG framework have inspired development efforts, helped countries to set national priorities and focused on successive actions. Strengthening the Good Governance and implementing public administration reform determined as the critical factor in the achievement of the Millennium Development Goals. This paper presents the progress made in the Republic of Azerbaijan towards meeting its localized MDG - Good Governance. The Azerbaijani experience demonstrates a strong correlation between Good Governance practices, including institutional reforms and effective poverty reduction and economic development.

Keywords: *civil service, good governance, public administration reform, state policy, sustainable development*

The sustainable development term was popularized in a report published by the World Commission on Environment and Development (WCED) in 1987 - "Our Common Future". The report also known as the Brundtland report, in recognition of former Norwegian Prime Minister Gro Harlem Brundtland's role as chair of the WCED, included the following definition of sustainable development: "development which meets the needs of the present without compromising the ability of future generations to meet their own needs" [1]. The United Nations (UN) General Assembly accepted report and gave the term political breath. In 1992 world leaders set out the principles of sustainable development at the UN Conference on Environment and Development, also called Earth Summit, in Rio de Janeiro, Brazil. The Earth Summit in Rio de Janeiro gave an impulse to the work on integration of sustainable development principles into public policies and elaboration of sustainable development concepts and strategies all over the world.

The UN General Assembly, by its resolution 53/202 of 17 December 1998, decided to designate the fifty-fifth session of the General

Assembly "The Millennium Assembly of the United Nations", and to convene, as an integral part of the Millennium Assembly, a Millennium Summit of the United Nations. In order to discuss the role of the United Nations at the turn of the 21st century 149 Heads of State and Government and high-ranking officials from over 40 other countries joined at the United Nations Millennium Summit in New York in September 2000[2]. The main document adopted, was the Millennium Declaration, which contained a statement of values, principles and objectives for the international agenda for the twenty-first century. The Millennium Declaration, which was signed by 189 nations, affirmed Member States' faith in the United Nations and its Charter as indispensable for a more peaceful, prosperous and just world. The Declaration built on a decade of major United Nations conferences and summits and committed Member States to a series of time-bound targets with a deadline of 2015, which became known as the Millennium Development Goals (MDGs). With an eye to meet the challenges set out in the Declaration, a set of 8 global goals were formulated, with initial 18 targets and 48 indicators

for monitoring progress in achieving the goals and targets. The Millennium Declaration and the MDG framework have inspired development efforts, helped to set global and national priorities and focused on successive actions.

The former President and national leader Heydar Aliyev, signed the Millennium Declaration on behalf of the Republic of Azerbaijan. Azerbaijan, like the other signatories of the Millennium Declaration, has embarked on the task of adapting the global MDGs to its specific conditions, and made special policy efforts and budget allocations available to achieve them.

In order to strengthen the social protection of the population, ensure poverty reduction in the country and implement necessary measures to meet the commitments of the UN Millennium Summit, the President of the Republic of Azerbaijan approved by his Decree #854 of February 20, 2003 the State Program on Poverty Reduction and Economic Development (SPPRED) in the Republic of Azerbaijan for 2003-2005 [3]. Implementation of the SPPRED in 2003-2005 resulted in maintaining overall macroeconomic stability, ensuring dynamic economic growth and upholding inflation and national exchange rates at appropriate levels. In its turn, these achievements promoted to implementation of substantial activities aimed at solution existing social problems as well as tackling poverty.

In continuation of the positive process in improving the population's welfare, the State Program on Poverty Reduction and Sustainable Development (SPPRS) in the Republic of Azerbaijan for 2008-2015 was approved by the decree #3043 of the President of the Republic of Azerbaijan Ilham Aliyev of September 15, 2008 [4]. The SPPRS provided a clear statement of national priorities as the basis for collaboration in progressing towards national development goals, which aligned with the MDGs.

Azerbaijan has adapted the global goals slightly in order to formulate its country-specific goals, and gradually defined its country-specific baselines, targets, and monitoring indicators. Within its overall aim of achieving sustainable economic development and poverty reduction, the SPPRS identified nine strategic

goals for the period 2008-2015. The SPPRS identified institutional reforms and good governance as an additional ninth Millennium Development Goal, signaling its recognition of the centrality of public sector and civil service reform to long-term poverty reduction and sustainable economic development.

The Government of Azerbaijan was committed to development through a governance reform that will align it with international standards, and has linked its measure of performance to recognized international indicators. By adopting the localized "MDG 9", the Government of Azerbaijan expressed its commitment to good governance, which among other targets, highlights the importance of a professional, merit-based civil service for reducing poverty and inequalities. Strengthening the country's good governance system and implementing public administration reform is critical not only to ensuring democratization of the society but also to improving living standards of population and, overall, necessary for the achievement of MDGs.

The term of Good Governance first time was articulated in the World Bank report "Sub-Saharan Africa: From Crisis to Sustainable Growth" in 1989 to describe the need for institutional reform and a better and more efficient public sector in Sub-Saharan countries [5]. From that time, the concept of good governance was spread over the world to be the way of sustainable development. Good governance means that processes and institutions produce results that meet the needs of society while making the best use of resources at their disposal. The concept of efficiency in the context of good governance also covers the sustainable use of natural resources and the protection of the environment. Good Governance is crucial to ensuring that sustainable development benefits both people and the planet. Good governance should entail processes, decisions and outcomes that sustain natural resources eliminate poverty and improve the quality of life of citizens.

Good Governance is the critical factor that determines success in the achievement of the Millennium Development Goals. Implicit in the ability to implement poverty reduction

strategies effectively is the ability to link good governance with human development, both nationally and internationally, as indicated in Millennium Development Goal 8. This presupposes that the effectiveness of government policies to achieve these goals will be determined by the ability of governments to deliver services quickly, efficiently and effectively [6].

MDG progress is also linked to Good Governance practices and institutional capacities, which are essential to create the enabling environment necessary for implementing needed policies and programmes and for securing MDG achievements [7].

Good Governance aims to make governing institutions more responsive and accountable, and respectful of international norms and principles. As articulated in SPPRSD, successful poverty reduction policies require continued emphasis on strong, transparent and accountable public institutions that are staffed by a professional civil service, guided by appropriate laws, and reinforced by a responsive judicial system.

In the framework of the Good Governance and Institutional Policy sector, the SPPRSD envisaged policy measures in the following directions: (a) Improvement of public administration; (b) Civil Service reform; (c) Judicial and legal reforms; (d) Combating corruption; (e) EITI (Extractive Industries Transparency Initiative); (f) Decentralization and development of civil society; (g) Applying international human rights standards and norms.

Good governance is dependent on a stable and efficient public administration, and requires a skilled, motivated efficient and ethical civil service. However, governance reform requires a high-level political commitment and will. Therefore, it is difficult to achieve as this imperative often conflicts with other state and political priorities such as the maintenance of socio-economic and political stability. At the same time, access to quality public services dramatically improves when skilled and motivated people, working according to meritocratic principles provide services. As a result, governments that implement public administration and civil service reforms increase efficiency, producing a

significant positive effect on poverty reduction and economic development.

An efficient, responsive, transparent and accountable public administration is not only of high importance for the proper functioning of the state, it is also the basic means through which government strategies can be implemented to achieve the Millennium Development Goals. In addition, because the public administration is one of the main vehicles through which the relationship between the state and civil society and the private sector is realized, supporting public administration reform is a means towards achieving higher-order development goals – particularly equitable growth, poverty reduction and stability.

Oil revenues flowing into Azerbaijan threaten to affect the existing capacity of the public sector to manage them. In this context, one of the main challenges for the country is to ensure that the civil service is composed of competent, professional staff capable of managing increased resources and providing adequate services to the people of Azerbaijan. In order to establish a new civil service system the Law on Civil Service was adopted in 2001. Several additional legal acts were adopted since, to form the legislative framework of the national civil service. The Civil Service Commission (CSC) was established in 2005 under the President of the Republic of Azerbaijan, and officially started to function since October 2006. The Civil Service Commission was mandated with the leading role in implementing a major reform of the civil service. The CSC acted as the principal structure responsible for the standard legal acts' enforcement adopted in the civil service area, selection for the appointment to the civil service on a competitive basis, performance appraisal, professional development and social protection of the civil servants.

UNDP Azerbaijan provided support to the CSC since its establishment, within the framework of "Good Governance through Civil Service Reform: Implementing MDG 9" project with the long-term objective of ensuring that public services are provided to the people of Azerbaijan by a qualified and competent civil service in the most efficient manner. The overall objective of the project was to operationalize the commitment

of the Government of Azerbaijan to Good Governance and public sector reform, as articulated in SPPRS. The Project was implemented in several phases and supported CSC to pursue reforms and improve the overall delivery and quality of public services. Bearing in mind that public administration reform is a long-term process, it was critical to maintain the momentum and consolidate the unprecedented, but still mostly centralized and fragile achievements through continued robust capacity development, technical assistance and advocacy, thereby fostering national ownership and long-term sustainability.

As a result project succeeded to achieve strategic priority outputs, which included support to the establishment of a CSC and operation in full capacity and enactment of key civil service reforms, including the preparation of a strategy for civil service reform, establishment of competitive civil service entrance exams, revision of the civil service legislation and development of the law on ethic conduct rules, awareness raising, monitoring and evaluation of civil service reform and MDG 9.

Implementing a successful poverty reduction policy requires strong, transparent and accountable public institutions staffed by a professional civil service. In this regard, poverty reduction depends crucially on the effectiveness and efficiency of the public institutions activities at the national level. Continuous institutional improvements implemented by the Government of Azerbaijan are at the heart of the adaptive change necessary for integration to the global economic system.

The major achievements of the CSC: the improvement of social protection of civil servants; the development of the Law on Ethic conduct rules of civil servants and its adoption by National Parliament – a significant step towards greater transparency and accountability, and the successful introduction of merit-based recruitment in ministries and other state agencies at the central level, including the shift from a paper-based to a computerized entry examination system and the development of the performance appraisal system. Starting from 2008, the CSC was introducing reforms at the local level of

government, by providing a series of trainings to civil servants at the regional level on such topics as human resource management, maintenance of the Civil Servants Registry, personnel file management, ethic conduct rules, performance appraisal system etc. Over the period of February 2007 - April 2016 the CSC organized merit-based competitive recruitment for 45 central executive bodies, 6 agencies under central executive bodies, 99 court offices and 8 local executive authorities and received in total 88,365 applications for vacancies in that institutions. These breakthroughs indicate the growing commitment by the Government of Azerbaijan to move forward with public administration reform.

The Good Governance provides important pressures for improving public sector performance, gaining transparency and tackling corruption. The Good Governance principles can make it more difficult for corruption to take root. The combination of the principles - participation, accountability, transparency, and rule of law - can help to eliminate corruption and build a stable society.

The Government of Azerbaijan has taken a number of measures in recent years, including the strengthening of the legal framework to combat corruption more effectively. In 2004, Azerbaijan adopted national program to combat corruption covering 2004-2006 and enforced anti-corruption measures. In addition, the national strategy on increasing transparency and combating corruption and the action plan on its implementation in 2007-2011 adopted in 2007. In 2009, President Ilham Aliyev signed decree on strengthening the fight against corruption related law violations in the area of management of state and municipal property and resources. In 2012, the Open Government Initiative National Action Plan 2012-2015 and the National Anti-Corruption Action Plan 2012-2015 endorsed by Presidential decrees.

Sustainable development is a key tool for prevention and alleviation of the negative processes in development. This approach will necessitate participation from the specially trained civil servants who have been educated in delivering the highest quality and quantity of social goods and services at national and regional levels. Rele-

vant knowledge, training and commitment of this key group of professionals are critical to the implementation of the desired management and administrative goals. These principles embrace accountability and transparency as well as innovation, out of the box thinking and use of modern technology. This group of professionally trained decision makers and managers are responsible for ensuring that the social contract between the government and its constituency and key client—the population is fulfilled. This contract has the objective of delivering the highest attainable quality and quantity of social goods and services and assures responsibility of the state towards protection the well-being of the people [8].

The work on introducing sustainable development principles continued with the Decree of the President of the Republic of Azerbaijan #800 as of 29 December 2012 on approval of the Development Concept “Azerbaijan 2020: look into the Future”. The main strategic view of the concept is to take account of the current opportunities and resources and attain a stage characterized by sustainable economic growth and high social welfare, effective state management and supremacy of the law, the full ensuring of all human rights and freedoms and the active status of the civil society in the country’s public life [9].

While generating significant hydrocarbon revenue strengthening good governance and civil service reform in Azerbaijan was critical to promote economic development and reduce poverty, and necessary for alignment with international standards and norms. In the years, Azerbaijan has made significant progress towards meeting its good governance targets. Improvement can be observed for all policy measure directions. The Azerbaijani experience demonstrates a strong correlation between Good Governance practices and effective poverty reduction and economic development.

We live in a rapidly changing world, in the age of globalization and the information society. Therefore, governments, accepting the reality of the changes that are affecting our lifestyles, our ways of

thinking, feeling and acting, continue to set new indicators in good governance agenda. Taking into consideration that good governance at all levels is fundamental to economic growth, political stability, and security, efforts for enhancing good governance by the Government of Azerbaijan must be continued. Civil servants, appointed on merit through a fair and transparent process, greatly enhances effectiveness and performance by better reflecting the aspirations, experiences and needs of the people they serve. The expansion of e-government and use of IT technologies for rendering public services will increase transparency and accountability. Good governance requires a framework of economic policies, legislation and institutions in which businesses and investments can grow. Therefore, new initiatives can be introduced for development of the legal frameworks conducive to the development of business, including small and medium-sized enterprises, which are critical to economic growth, and to the promotion of investment.

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DAYANIQLI İNKİŞAFDA YAXŞI İDARƏÇİLİYİN ROLU: AZƏRBAYCAN RESPUBLİKASININ YAXŞI İDARƏÇİLİK GÜNDƏLİYİ

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Son üç onillik ərzində dayanıqlı inkişaf prinsipləri dünya dövlətlərinin siyasətlərinə inteqrasiya edilmiş, dayanıqlı inkişaf ilə bağlı konsepsiyalar və strategiyalar hazırlanmışdır. BMT-nin Minillik Sammitində bəyan edilmiş Minilliyin İnkişaf Məqsədləri (MİM) planetimizə təsir edən dayanıqlı inkişaf ilə bağlı qlobal məsələləri əhatə etmişdir. MİM çərçivəsi, inkişafa yönələn səylər üçün ilham qaynağı olmuş, ölkələrə milli prioritetləri müəyyənləşdirməkdə və ardıcıl tədbirləri həyata keçirməkdə yardımçı olmuşdur. Minilliyin inkişaf məqsədlərinə nail olunmasında yaxşı idarəçiliyin gücləndirilməsi və dövlət idarəetmə islahatlarının həyata keçirilməsi çox mühüm faktor kimi müəyyən edilmişdir. Məqalədə Azərbaycan Respublikasında milli səviyyədə qəbul edilmiş Yaxşı İdarəçilik MİM-i ilə bağlı əldə olunan nailiyyətlər təqdim olunmuşdur. Azərbaycan təcrübəsi, institusional islahatlar da daxil olmaqla, Yaxşı İdarəçilik tədbirlərinin, yoxsulluğun effektiv azaldılması və iqtisadi inkişaf ilə güclü qarşılıqlı əlaqəsinin olduğunu nümayiş etdirir.

Açar sözlər: dayanıqlı inkişaf, yaxşı idarəçilik, dövlət idarəetməsi islahatları, dövlət siyasəti, dövlət qulluğu

РОЛЬ ХОРОШЕГО УПРАВЛЕНИЯ В УСТОЙЧИВОМ РАЗВИТИИ: ПОВЕСТКА ХОРОШЕГО УПРАВЛЕНИЯ В АЗЕРБАЙДЖАНСКОЙ РЕСПУБЛИКЕ

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В последние три десятилетия во многих странах мира принципы устойчивого развития были интегрированы в государственную политику, разработаны концепции и стратегии устойчивого развития. Цели развития тысячелетия (ЦРТ), объявленные на Саммите тысячелетия Организации Объединенных Наций, отразили глобальные вопросы устойчивости, которые влияют на нашу планету. ЦРТ помогли странам определить национальные приоритеты и реализовать последовательные действия. Укрепление хорошего управления и осуществление реформы системы государственного управления определяется как критический фактор в достижении Целей развития тысячелетия. В этой статье представлены достижения Азербайджанской Республики, связанные с принятыми на национальном уровне ЦРТ - хорошего управления. Азербайджанский опыт показывает сильную корреляцию между практикой хорошего управления, включая институциональные реформы, с эффективным сокращением бедности и экономического развития.

Ключевые слова: устойчивое развитие, хорошее управление, реформы государственного управления, государственная политика, государственная служба