

**Decree of the President of the Republic of Azerbaijan on annulment of Decree No. 995 of the President of the Republic of Azerbaijan dated 15 July 2016 on establishment of a new management framework for the economic policy and economic reforms in the Republic of Azerbaijan and 'on establishment of the Financial Stability Board of the Republic of Azerbaijan'**

Large-scale socio-economic construction in Azerbaijan over recent twenty years, modernization of physical infrastructure, human capital development have been the main driving forces of current social welfare indicators. Over the period, our country has made significant progress in international rankings on necessary infrastructure and institutional development indicators, and competitiveness of the national economy has increased significantly. Gross Domestic Product has more than tripled, and living standards of citizens have improved significantly.

However, fall in potential economic growth in the global economy over recent years, much higher price volatility in commodity markets, increasing fragility of global financial stability, especially the coronavirus pandemic since the beginning of the year and related containing of socio-economic activity in most countries have created new strategic policy challenges. To sustain and further increase socio-economic well-being in an unfavorable global environment, international competitiveness of our national economy should be strengthened, economy's dependence on oil revenues should be minimized, and macroeconomic and financial stability should be maintained.

Ensuring double economic growth is one of the main strategic challenges to increase socio-economic well-being of our country next decade. Formation and development of new mechanisms to increase annual growth rate of the economy, especially in the post-pandemic period, identification of national development priorities based on creation of more sustainable and inclusive economic growth sources, in particular private investment, including foreign direct investments, expansion of non-oil exports, active integration into the global value chain, radical improvement of the investment climate, further improvement of the quality of human capital through modern health and education policies, adaptation to business requirements, more effective protection of property rights and implementation of other business friendly strategic tasks.

To adequately respond to strategic challenges of national economic development, ensure successful transition to a new economic growth model and development, it is necessary

to create a new strategic framework for the economic policy in the country to shape a frame for the economic policy and economic reforms.

The new management framework of the economic policy should ensure formation of a strategy aimed at accelerating socio-economic development of the country and modernization of the national economy in the post-pandemic period, in particular development and successful implementation of economic reform programs.

Guided by Para 32, Article 109 of the Constitution of the Republic of Azerbaijan, in order to create a new strategic management framework capable to shape a socio-economic development strategy that reflects national development priorities and ensure its realization, as well as achieve effective regulation and law enforcement practices in the post-pandemic period, I decide:

1. to establish the Economic Council of the Republic of Azerbaijan (hereinafter - the Council)
2. to approve the following composition of the Council:

#### **Chairperson of the Council**

Prime Minister of the Republic of Azerbaijan

#### **Members of the Council**

Assistant to the President of the Republic of Azerbaijan – Head of the Department of Economic Issues and Innovative Development Policy

Assistant to the President of the Republic of Azerbaijan – Head of the Department of Economic Policy and Industrial Issues

Assistant to the First Vice-President

Assistant to the First Vice-President

Minister of the Economy of the Republic of Azerbaijan

Minister of Finance of the Republic of Azerbaijan

Minister of Labor and Social Protection of the Population of the Republic of Azerbaijan

Governor of the Central Bank of the Republic of Azerbaijan

Executive Director of the State Oil Fund of the Republic of Azerbaijan.

3. to establish the Secretariat of the Council to organize activities of the Council and recommend the Central Bank of the Republic of Azerbaijan to discharge the functions of the Secretariat.
4. To determine that for the purpose of implementation of the actions provided for in Items 5.1 and 5.2 of this Decree, the Council can involve local and foreign experts, specialists, international organizations and scientific establishments, and create a task groups consisting of representatives of related public institutions and stakeholders on particular directions.
5. to assign the Council:
  - 5.1. to study developments in the global and national economy, including in fiscal and monetary sectors, financial-banking sectors to safeguard macroeconomic stability and accelerate socio-economic development, develop and submit to the President of the Republic of Azerbaijan proposals on formation of the economic policy, as well as determining reforms to take preventive measures to avert possible internal and external impact on the national economy and the direction of the economic policy for the current and medium-term;
  - 5.2. to inform the President of the Republic of Azerbaijan on its activities once in six months;
6. The Cabinet of Ministers of the Azerbaijani Republic to solve other issues arising from this Decree.
7. to annul Decree No.995 of the President of the Republic of Azerbaijan 'on Establishment of the Financial Stability Board of the Republic of Azerbaijan' dated 15 July 2016 (Collection of Legislation of the Republic of Azerbaijan, 2016, № 7, Article 1266; 2018, № 5, Article 959, № 12 (I book), Article 2593).

**Ilham Aliyev**

**President of the Republic of Azerbaijan**

Baku city

9 September 2020