

**THE STATE PROGRAMME
ON RELIABLE FOOD SUPPLY OF POPULATION
IN THE AZERBAIJAN REPUBLIC
(2008-2015)**

Approved with the
Decree of the President
of the Republic of
Azerbaijan dated 25 August 2008

Reliable food supply is a precondition to preserving a country's sovereignty, independence, economic stability and social sustainability. So, constant relevant activities must be conducted to meet the needs of each member of the society for food products.

Sharp increase of oil prices during last years, negative tendencies occurred in the financial markets of leading countries, as well as the rise in the demand for food products as a result of population increases, climate change, limited water reserves and other reasons have contributed to increase of food prices in the world markets, lack of food became a real danger in some countries.

According to the FAO, the annual growth of food production was 30 million tons between 1950 and 1985 and 12 million tons between 1985 and 1995. However, by 2030 the annual growth rate is projected to fall to 9 million tons. Reliable food supply is a priority economic policy of the government of the Azerbaijan Republic. In the mid-1990's, on the initiative of the national leader Heydar Aliyev, agrarian reforms, unprecedented in the CIS region, were carried out. Mechanisms for assisting agricultural producers were formed and the implementation of important projects with international organizations in this area was started. "The Program for food security of the Azerbaijan Republic" was approved by an order of the president in 2001. As a result, an increase in agricultural and food products was achieved in the country.

In addition to this, the implementation of the "State Program on poverty reduction and economic development (2003-2005)", "The State Program on the development of small and medium entrepreneurship in the Azerbaijan Republic (2002-2005)", "The State Program on the social-economic development in the regions' (2004-2008)" and other adopted documents, as well as rendering financial and technical assistance to farmers, development of entrepreneurship, and implementation of infrastructure projects in the regions have ensured significant increase in the local product's special weight in the consumption of the population. But, wholly covering the country's demand for food products on the account of domestic production has not been possible yet. From the other hand, Azerbaijan's reliance on food imports subjects it to the instability of the world's food markets and impacts the pricing of food products in Azerbaijan. The current situation requires complex approach to the issue maximum reduction of the dependence of domestic food market from imports and creation of food reserves.

The "State Program on the reliable food supply of population in the Azerbaijan Republic" developed in accordance with Order 2786, dated May 1, 2008, of the President of the

Azerbaijan Republic, is directed at implementing activities that will support the above objectives over the period of 2008-2015.

I. Current situation in the Azerbaijan Republic in the area of provision with food products

1.1. Macroeconomic stability and people's income.

In order to ensure the population's reliable food supply, the general macroeconomic conditions must be favourable to it and citizens' incomes must meet the requirements based on physiological norms.

The analysis of economic indicators of the last 5 years shows that, our country not only could preserve macroeconomic stability during these years, but also became one of the leading countries for economic growth. Between 2002 and 2007, the GDP has grown by 2.6 times. This growth has been possible thanks to dynamic development of both oil-gas sector and non-oil sector. The real growth of non-oil sector during these years has made up 76.1%. During these years, per capita GDP has increased by 4.7 times and reached USD 3 692.9.

Naturally, economic growth has created large opportunities for improving the populations' social welfare. During 2003-2007, average monthly wages nominally increased by 3.4 times and people's monetary incomes increased by 3.3 times.

Per capital monthly income of the population continuously increases in the country as a result of increasing minimum wages, pensions and allowances, wages in organizations that are funded from the budget, as well as application of addressed social aid mechanisms. The mentioned activities made gave an opportunity to decrease the poverty level by 15.8%.

The increase of incoming transfers obtained from oil exports has significantly enlarged our country's financial opportunities. Now Azerbaijan participates in the financing of large trans-national projects both within the country and in other countries. Thanks to the increase in financial resources, it was possible to increase the income of the state budget by 6.6 times.

Thus, the obtained achievements conditioned further strengthening of the state's economic bases and created new opportunities in increasing business activity, development of non-oil sector, accelerating regions' social-economic development, reducing poverty, conducting more effective activities in ensuring food security and solution of other such problems. These actions will be implemented in coordination with other state programs.

1.2. Current situation in agrarian sector.

During 2003-2007, the real growth in agrarian sector has made up 28.6%. As a result of reforms conducted in this area:

- A legislative base in complying with the principles of market economy was established in first place to develop agrarian-industrial complex, improve food supply;
- Agrarian reforms were conducted;
- 1 191 collective, 156 agricultural production cooperatives, 2 651 family rural economies and other private entities were created, 842.1 thousand families started to act as natural persons on the basis of the privatized land and properties of state farms, collective farms and inter-economy enterprises, the activities of which have been stopped as a result of reforms;
- Starting 1999, the producers of agricultural products were exempted from all taxes, except the land tax;

- In the districts that were abolished as a result of agrarian reforms, as well as in the occupied districts, the debts of the economic subjects were forgiven and other favours were made;
- Important projects with the total value of US \$158 million have been implemented in the countries agrarian sector with the assistance of influential donors and organizations, such as the World Bank, the International Development Association, the International Fund for the Development Agriculture, United State Agency for International Development, German Technical Cooperation Society, UN International Development Program and UN Agricultural and Food Organization.
- 50 percent of farmers' costs for fuel, lubricants and fertilizers are paid by the state, state subsidies are granted for grain cultivation, "Agrolizing" Open Joint Stock Company was established to improve the machinery provision, machinery and fertilizers are provided to the producers via leasing on favourable terms;
- The share of private sector in agricultural production has increased to make up 99.7%.

1.2.1. Land and water use

Land Use. The total land fund of the Azerbaijan Republic makes up 8 641.5 thousand hectares and 4 756.5 hectares of it or 55% is fit for agriculture. 1 432.6 thousand hectares or 16.6% of the total territory is irrigated land. The sowing area makes up 1 808.4 thousand hectares of the area that is fit for agriculture in the land balance. From this area 181.6 thousand hectares are under occupation. 224.7 thousand hectares of the land that is fit for agriculture are long-term plantings, 117.6 thousand hectares are hayfields, 2560.0 thousand hectares are pastures; 45.7 thousand hectares are areas that are left for resting. Courtyards make up 258.1 thousand hectares (227.6 thousand hectares of which is fit for agriculture) and forests make up 1038.8 thousand hectares in the country.

Per capita sowing areas decrease year after year as the reason of allocation of lands for non-agricultural economic objects and private buildings and land erosion, increase of the level of underground waters because of rise of the Caspian Sea level, insufficient melioration activities, violation of farming technology, etc. When the sowing area per capital was 0.36 hectares in 1959, in 1970 this figure was 0.23 hectares, in 1979 0.21 hectares, in 2003 0.155 hectares.

Up to 40% (3.4 million hectares) of the land in mountainous areas has been subject to erosion of various degrees. Approximately 47% of irrigated arable lands have become salty in difference degrees. Therefore, it is necessary to conduct land-reclamation activities in 657.0 thousand hectares of the irrigated plots of land.

Water use. The country's water resources are limited. Only 10 billion m³ or 30% of the surface water resources are developed in its own territory, the rest 70% is formed in the territory of neighbour countries. The main waste of water flow of domestic rivers happens in summer season. Flood water can not be fully utilized as most of their flow is not cleaned and these waters flow to the sea. Thus, 3.2 billion m³ of quality irrigation water is lost annually. 21.5 billion m³ of water reserves can be collected in existing artificial water storages. Most of this water is used for hydro-power engineering and irrigation purposes. Currently about one third of underground is used. 7-9 billion m³ of water is used annually in the country and 67% of this is used for agricultural needs.

Two water storages with the capacity of 104.4 million cubic meters, irrigation canals with the length of 600 km, collector drainage networks with the length of 136 km have been built on rivers to prevent non-proportionality of flows in rivers and to efficiently use water resources in the country's economy, 365 sub-artesian wells have been dug to meet domestic needs. 72 km. of stone-concrete and concrete, earthen dams were built to protect sowing lands and settlements from flood and stream waters of rivers.

Those years the construction of Vaykhir water reservoir in the Nakhchivan Autonomous Republic, 31 km-long part of the Main Mil-Mugan collector, reconstruction of the 50 km-long part of the Samur-Absheron canal and 185.7 km long inter-farm channels together with installations, the construction of 67.2 km-long Khanarkh channel was completed, 49325 km long riverside-fortification works have been conducted in flooding and streaming rivers located in Balakan, Zagatala, Gakh, Shaki, Oghuz, Gabala, Goychay, Ismayilli, Aghsu, Gusar and Astara districts, as well as Araz river in Sharur district of the Autonomous Republic of Nakhchivan. Currently, the construction of Takhtakorpu water storage with the capacity of 268 million cubic/meters, and Takhtakorpu-Jeyranbatan channel is underway.

Repair-reconstruction works of irrigation-drainage networks in Goranboy, Guba, Sabirabad, Nakhchivan Autonomous Republic's Babek and Sharur districts and Bahramtepe hydro-junction on Araz River have been started.

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However, there are still problems in this field. Thus, there is a need to repair domestic networks that were in the balance of collective and state farms and bring them to fully operational condition, to build new water storages, repair of long exploited physically worn-out irrigation systems, and improving land-reclamation condition of lands.

However, the limitation of water reserves in the country makes necessary the efficient and saving use of existing water resources and improvement of technical condition of irrigation systems, introduction of advanced water saving irrigation techniques and technologies.

1.2.2. Plant production and processing

Plant production. As a result of agrarian reforms, the production of agricultural products has dynamically developed in recent years, production of food stuff per capita significantly increased. The conducted reforms have caused changes in the structure of the production of plant-growing products as in many areas. This has influence the country's planting structure in the first place and gave opportunities for its formation in accordance with the requirements of domestic and foreign markets. Annual dynamic development has been ensured in the production of plant-growing products starting 1999. Wheat production was increased from 1098.3 thousand tons in 1999 to 2004.4 thousand tons in 2007, potato from 394.1 thousand tons to 1037.3 thousand tons, vegetables from 670.8 thousand tons to 1227.3 thousand tons, water-melon from 206.3 thousand tons to 417.6 thousand tons, fruits from 436.5 thousand tons to 677.4 thousand tons. The balance of food supply in the country started to change towards positive direction. The annual requirement of the population for potato,

vegetables and water-melon products and fruits is over fulfilled with domestic production and export potential increases.

However, current production indicators of such plant-growing products including grain are considerably lower than potential resources. Average productivity for grain-crops and leguminous plants, which are main food product makes up 27.1 s/ha in Azerbaijan. There is an opportunity to significantly increase food production in our country through applying modern technologies without enlarging sowing areas.

In meeting demand for food products, vegetable oils are most dependent on imports. Meanwhile, there is big potential to increase this production, especially olive production. It is possible to increase production through intensification of farm activity in the field of production of potato, vegetable, sugar beet and other agricultural products.

Seed-growing has a special importance in increasing the productivity of agricultural plants, raising their quality and improving food supply. Currently, more than 300 legal and natural farming subjects, as well as 20 State Agricultural Production Enterprise are dealing with seed and sapling production. Only 7-10% of the volume of wheat seed annually required for the country is produced in the mentioned farms. However, there is a need to build the seed-growing works in public and private farms engaged in the seed and sapling production from the standpoint of modern requirement. Although there is certain development in the seed-growing of grain-crops and grain leguminous plants, the problems in seed-growing of feeds, vegetables, potato and water-melon plants, as well as in the field of sapling-growing has not found its solution yet.

The processing, maintenance and sale of plant-growing products. The organization of the processing and sale of produced goods is an important issue. In recent year, major creative works were implemented in wine-making, tea-growing, fruit and vegetables, canning industries, scores of new small and large enterprises were restored and launched in these industries. However, main characteristics, infrastructure of the market fit new economic relations for the purchasing-sale of products.

As there is no procurement-sale markets, the procurement, preservation and selling of fruits and vegetables in the field is not organized in the necessary level. According to calculations, 10-15% of the produced fruits and vegetables are lost each year because of the weakness of the market, processing, selling infrastructure.

Sorting, packaging, storing, advertising, reputation issues must be solved in order increase exports of agricultural products and sell competitive products in foreign markets and activities must be conducted that stimulate exports. The lack of enterprises for processing some agricultural products in the country and others' lagging behind modern requirements negatively influence the delay in growth level of agricultural production, loss of some part of products, full provision of producers with variety of local products, as well.

1.2.3. Production, processing of animal products and pedigree cattle-breeding

Processing of animal products. Reforms in cattle-breeding started from 1994. It is necessary to conduct reforms in this field. Because, since 1990, production of 70 thousand cattle, 243 thousand sheep and goat, 25 thousand tons of meat, 47 thousand tons of milk have decreased

annually. As a result of reforms, the number of livestock and the production of cattle-breeding products started to increase. On 1 January 2008, in comparison with relevant period of 2001 the number of big cattle increased by 490.2 thousand heads (24.2 %) and 2 million heads (33.3 %) of sheep and goats. At present, 26 poultry enterprises function in the country. The poultry produced in these enterprises make up about 70% of the per capita production in the country.

Thus, there still is shortage from the standpoint of meeting demands in the field of meat and milk production in the country.

One of the main reasons of this situation is that feed-industry does not meet modern requirements. Precious feeds such as “senaj” and “silage” have left animals’ feed ration. In 2007, only 6.4 tons of green corn and 2.4 tons of root-fruits were produced. Cows and buffalos are kept mainly on the account of pastures around villages. Grass coats of these areas have considerably become thin, dry grass productivity of winter pastures has decreased to 3-4 quintals. Currently, mixed forage is not produced with the exception of poultry enterprises.

Pedigree cattle-breeding. The fact that 1110 kg of milk was produced from each cow and buffalo in 2007 shows that, the pedigree cattle-breeding work among long-horn animals is not conducted up to required level, measures against barrenness is weakly performed, feeding lags behind zoo technical requirements.

Currently, more than 80 very large private pedigree farms have been launched in the country, In the meantime, 11 regional, 60 city and district artificial fermentation, 900 rural and town artificial fermentation stations were established. In 2007-2008, 255 255 new fermentation technicians were prepared, they were provided with artificial fermentation equipments, liquid nitrogen.

In 2007, 16.3 cows, buffalos and heifers were artificially fermented and 12.9 calves were received as a result of this work. And this figure is too low to meet current demand.

In order to solve problems in this field, it is necessary to extend measures taken to improve the composition of pedigree cattle and annually import at least 7-8 thousand heads of pedigree cattle.

Processing of meat and meat products. Extending the network for processing cattle-breeding products is one of the main tasks. There are 45 meat, 127 small milk processing enterprises in the country. The capacity of these processing enterprises does not meet the demand in full. For ex., as a result of limitation of milk processing industry, at least 150 thousand tons of milk loses its quality each year.

Thus, relevant works must be conducted in the country to enlarge the network of meat and milk processing enterprises that meet modern requirements and that has exports potential.

14% or 23 thousand tons of slaughter weight is sold with no processing. Only 43.5 percent of produced milk is industrially processed. And as the result the demand for butter, cheese, curds and sour cream is met via import.

So, the proposals of private sector for the establishment of new meat and milk processing entities meeting modern demands in the territories near the material sources and construction of fridges to conserve reserves should be supported.

1.2.4. Logistics

Technical provision. Provision of agricultural producers with modern equipment is one of the main conditions for increasing food production. Unfitness of equipment creates obstacles for conducting agro-technical measures in optimal period, impedes timely and without loss harvesting, creates serious obstacles for production processes.

Works conducted with old equipment are of bad quality and allows considerable losses. Thus, the necessity for creating service enterprises arises. In general, as the result of weak logistics, the products with the cost at least 30-40 million manat will be lost annually. So, it is necessary to establish a comprehensive network of service entities meeting modern demands.

“Agroleasing” Open Stock Company was established with the Order 468, dated October 23, 2004, of the President of the Azerbaijan Republic “On additional measures in the field of extending leasing in agrarian sector”, in order to accelerate the implementation of service works intended in the agrarian sector, facilitating entrepreneurs’ work, providing them with necessary equipments timely and with compromised terms. 10 selling service bases were established of “Agroleasing” OSC in the regions. Currently, 10 technical service centres were established in 57 districts.

Provision of fertilizers and plant protection resources. When average of 740 thousand tons of mineral fertilizer (in physical weight) was used annual until 1990, in 2001 this figure was only 40 thousand tons or 5.5 percent of the requirement.

Starting from 2005, “Agroleasing” JSC and private entities imported more than 200 thousand tons of mineral fertilizers, 294.3 tons of pesticides for plant protection and provided to the agricultural producers on favourable terms. In any case, the shortage fertilizers and plant protection resources significantly damage the plant-growing field.

A series of activities must be implementing for meeting the field’s needs for fertilizer and plant protection resources in order to increase the production of plant-growing products.

For these purposes, it is necessary to build a plant in the country that produces nitrogen fertilizers, establish wholesale and retail networks of fertilizers and plant protection means in the regions, strengthen the material-technical base and activities of agrochemical, plant protection and quarantine, seed-growing services.

1.2.5. Organizing the state veterinary service

A series of activities in the area of the country’s veterinary-sanitary health, prevention of hazardous infectious diseases, and production of cattle-breeding products that is fit and safe for human health, as well as protection of population from diseases that are dangerous for humans and animals.

Specialists that work in veterinary offices conduct preventive and mandatory vaccinations on the account of public funds against animal diseases in average of 32.7 million heads of

agricultural animals and bird each year. Specialists that work in 162 diagnostic and veterinary-sanitary examination laboratories conduct on average 5.2 million diagnostic examinations against 24 infectious diseases and that does not meet demand.

Thanks to state investments and special allocations made during the last three years for the development of this field, AZN 13.4 million was allocated. However, weakness of the logistics and shortage of human recourses does not allow for full and efficient performance of veterinary activities. Besides increasing the control function of the State Veterinary Service, certain works have been done in the area of enlarging private veterinary service, as well. 307 veterinary specialist deals with the purchase-sale of treatment-preventive preparations used in veterinary throughout the country, 25 private veterinary service centres function.

1.2.6. State phytosanitary control

In 2004 the State Phytosanitary Control Service was established, legal basis in this field set up, legislation acts were re-developed and new laws were adopted. 25-50% of product is lost because of harmful organisms during a plants vegetation period and products' storage. Thus, the protection of agricultural products from diseases, pests and weeds is important for increasing their productivity.

In order determine the diagnostics and development intensity of harmful organisms for conducting proper fighting activities, besides phytosanitary diagnostics, phytosanitary examination of the field must be conducted, all the elements that impact the development of harmful organisms must be analyzed, the forecast and danger level of mass spreading of harmful bio-object must be determined, a protection system that is biologically and economically efficient for the farm must be selected.

It is necessary to take actions to strengthen the logistics of the Service.

1.2.7. Scientific research in the agrarian sector

Food and raw material markets that function based on various property forms, competition mechanisms are being established in the agrarian sector of the country, the country is increasingly involved in regional and international integration processes. These processes require constant improvement of the competitiveness of private production and service entities and this can be achieved through the application scientific achievements. Conducting changes in the agricultural scientific-research system that provide agrarian-industry complex with new technologies to meet this demand has become an important requirement of the day. Thus, parallelism in this area must be eliminated, single strategic directions must be formed in scientific works and scientific results must be applied in production. 26 scientific-research institute, as well as 14 scientific research institute under the structure of Agrarian Science Centre of the Ministry of Agriculture, "Araz" Science Production Union (Nakhchivan Autonomous Republic), 8 Regional Agrarian Science Centre and about 40 experimental-production bases of scientific-research institutes function in this area in the country.

The strategic goal of the agrarian science is to ensure the compliance of regional farming activities to priority directions, to form thematic plans based on entrepreneurs' demands, to improve the system of applying and spreading results of researches, to strengthen material technical base and personnel potential of the science. Thus, the system of planning and financing researches must be improved.

In order to get scientific results that meet the requirements of market economy and international standards, normal working conditions must be established in institutes and they must be provided with modern laboratories, equipment and devices, highly effective agricultural equipment and other modern technical means according to their area of activity.

1.2.8. Training of human resources for agrarian field

The existence of human resources potential that meets modern requirements in the field of reliable food supply of population in the country has a big significance.

The professional training level of agricultural specialists having high and secondary education is still low in view of modern demand. In order to make attractive these specialties in the rural areas, the social and domestic problems of the specialists should be solved.

Currently, specialists in the production, processing, storing and economies of agricultural and food products are trained in 30 specialties in higher education institutions, 6 in medium specialty schools, 23 in technical vocational schools of the Azerbaijan Republic. Preparation of specialists in “technology of storing and processing of plant-growing products”, “economy and management of agrarian production”, “marketing”, “management” specialties in the area of agriculture and processing, economy and marketing of its products is conducted in the Agricultural Academy of Azerbaijan.

But the condition of material-technical base for the preparation of specialists up to modern requirements in these areas does not confirm to necessary standards. At the same time, there is lack of highly qualified educational staff.

1.3. Infrastructure provision for food production

In Azerbaijan Republic, almost all agricultural products and most of the processing products fall to the share of regions. Successful execution of the “State Program for social-economic development of regions (2004-2008)” has caused the increase of production and processing enterprises in the regions, significant improvement in their infrastructure provision.

Between 2004-2007: 139.6 km of new highways were built in the regions; 488.4 km highway, 536.3 km road of country importance and 1193.3 km road of local importance was repaired; 42 new bridges were built; 17 bridges were repaired; 1041.9 km long new electricity lines were set; 228 substations were built; 491 power transformers were installed; 1 024 586 running meter gas pipes were built; 31927 running meter gas pipes were repaired; 412.8 km long new water pipes, 120.1 km long sewerage pipes were built; 437 Automatic Telephone Stations (ATS), 495 new postal buildings were opened; 575 ATS were fully digitalised.

Regarding the improvement of transportation infrastructure, restoration and development of intra-district and inter-district roads, Nakhchivan and Ganja airports were reconstructed and opened for utilization, the construction of airports in Lankaran and Zagatala is on-going.

Additionally, in the past period, Ganja-Dashkasan-Khoshbulag, Lankaran-Lerik, Masalli-Yardimli, Guba-Khinalig motor ways, 75 km long part of Hajigabul-Kurdamir motor way was built up to modern standards and opened for utilization.

For the purposes of improving provision with electricity, 87 Mega Watt module type power stations were launched for utilization in Astara, Shaki district and Nakhchivan.

Delivery of natural gas to Nakhchivan Autonomous Republic was restored after thirteen years break, Lerik, Yardimli, Aghjabedi districts were provided with natural gas.

Relevant projects are implemented in the regions on the account of public investments, as well as involving international financial organizations, in order to improve water and sewerage systems. But, still there remain number of problems for forming fully normal environment for stimulating people's life in villages. Although all households have access to electricity network, rural population considers breaks in electricity supply as the main problem. Problems remain in reliable gas and water supply of people as well. Currently, some households take water from rivers, lakes, irrigation channels and drainage water as a source of drinking water.

Because, the lack or intervals in the delivery of electricity does not let to use lighting and home appliances, as well as halts the work of sub artesian wells, water pumps, creates problems in the supply of drinking water and irrigation water. And this negatively impacts the increase in production.

Almost all villages of the country have year-long working roads. But inter-village roads do not meet standards; intra-village roads are devastated.

1.4. Entrepreneurship activities regarding food supply

The development of entrepreneurship is one the main conditions of the population's reliable food supply. In connection with this, constant improvement of entrepreneurship environment in the country forms one of the important directions of the state's economic policy. As a result of implemented policy, the number legal bodies that registered have significantly increased to 15669. 9521 legal entities deal directly with agriculture, and 6148 are entrepreneurs in the field of processing.

In order to extend entrepreneurship activities in the field of production of agricultural and food products, the state's financial support activities are being successfully implemented. Between 2002-2007 and the first six months of 2008, in total, 271.4 thousand manat of compromised loans were given to finance investment projects of 6738 entrepreneurship subjects in 63 city and districts of the country, through representative credit organizations, on the account of the National Fund for Assistance to Entrepreneurship. 147 million manat of those resources was directed to the production and processing of agricultural products, as well as the financing of foodstuff production oriented 5431 projects. Among them:

- 25.5 thousand manat for financing of projects oriented to the production of various food products;
- 42.5 thousand manat for financing of projects oriented to the processing of various agricultural products;
- 79 million manat was allocated for financing of projects oriented to production of agricultural products, particularly the development farming and cattle-breeding.

In addition to gained achievements, there is a serious need to extend entrepreneurship activities in the field of food supply, taking additional stimulating measures regarding this. Particularly important measures are to establish store-houses, refrigeration cells, elevators for the storage of food products, as well as enterprises for the production of agricultural equipments and fertilizers, packaging enterprises, to extend the production of grains, feed, meat and meat products, fruit and vegetables, rice paddy, honey and other food products, to develop processing industry.

1.5. The security and quality control of food products

A lot of positive works have been done in our country in the area of ensuring food security, improving the quality of main food products, increasing export potential in recent years. Modern laboratories with high material-technical base and staff potential were established in Baku city, as well as Nakhchivan, Jalilabad, Ganja, Khachmaz, Shaki and Saatli cities. Quality and safety indicators of a number of food products undergo organoleptic, physical-chemical, toxic, microbiological tests in these laboratories in accordance with the requirements of national and international standards and relevant comments are issued.

Equipments and laboratory devices that are controlled by modern computers and that have several international certificates were purchased for increasing control over the quality and safety of food products, as well as to reveal toxic elements, nitrides, nitrates, micro organisms. Specialists are regularly invited from foreign countries for strengthening laboratory works.

However, various foodstuffs in trade, public catering, welfare and other services areas do not meet requirements of normative-technical documents, storage period and conditions of foodstuffs are not observed, foodstuffs with unknown sources are revealed in the market. In order to eliminate these cases, there is a need to improve the management system over quality control, making relevant amendments to the legislative framework regarding this, full compliance of national standards to international requirements, extension of the network of modern laboratories, deepening of cooperation with international organizations.

1.6. Preparation for emergency situation and current situation in the field of creation of food reserves

One of the main conditions of food security is the organization of state and mobilization food reserves, efficient management of these reserves, ensuring high level preparation for emergency situations and personnel potential for removing the results of the natural disasters in a short time.

Currently, the improvement of relevant legislative base in this field, creation of necessary infrastructure with the purpose of improving the State Wheat Fund, as well as construction of new elevators and warehouses, implementation of the mechanism for conducting commodity intervention to wheat market in necessary cases, forming reserves for main food products, implementing preventive activities for stopping emergency situations from happening, efficiently eliminating results of disasters are among the main tasks.

1.7. Provision of the population with food products

In 2007 in the Republic of Azerbaijan the per capita consumption of main food products was as follows: grain and grain products 182.0 kg, including bread and bread products 158.9 kg, meat and meat products 22.8 kg, milk and dairy products 178.7 litres, eggs 97 pieces, potato 96.7 kg, vegetables 191.6 kg, fruits and berries 70.7 kg, sugar (including confectionary) 14.2 kg, including sugar 11.8 kg, vegetable oil 8.7 kg, fish 2.4 kg.

The calorie base of daily food ratio in 2007 increased by comparison to the previous year and made up 2505.4 kilocalories per capita per day and this is 247.4 kilocalorie, or 10.9 percent more (22558 kilocalorie per capita per day) than minimum level of foodstuffs collection determined within the minimum consumer basket.

Conducted activities positively influence the improvement of the population's food supply. This means that the measures carried out during last years have positive impact on the improvement of food supply. However, it is necessary to significantly increase per capital food consumption and gradually bringing it to the level of advanced countries in near future.

The primary conditions for implementing the mentioned tasks is to increase the production of agricultural and food products on the one hand, particularly conducting activities for increasing productivity in agrarian sector, and creating new work places, eliminating unemployment, increasing the incomes of population groups that need social protection the most, bringing the level of minimum pensions and wages, need criteria to living minimum.

II. Goals and tasks of the “State Program on reliable food supply of population in the Azerbaijan Republic in 2008-2015”, main directions of state policy in the area of food supply.

The main goal of the State Program is fully providing each citizen of the country with food products at least in accordance with accepted minimal norms, in order to ensure their sound and productive living patterns.

For these purposes, the following tasks are established within the State Program:

- increase food production in the country;
- provide population with safe and qualitative food products;
- provide risk management in the field of food supply;
- institutional development of the food supply system and improvement of entrepreneurship.

In order to perform the mentioned duties the measures to be taken in this field will be directed to form stable and adequate food offer, establishment of efficient consumption and sales infrastructure, improvement of food quality control system and access of each citizen to food products.

Stable and adequate food offer will be, first of all, achieved through the development of

intensive reproduction in the agrarian sector, including the production and processing of agricultural products. Besides, consumption will be partly met by imported products taking into account dependence on foreign market.

The establishment of efficient production, maintenance and sales infrastructure is one of the most important elements of the food security system. Therefore, state investments to this field will increase and private initiatives will be comprehensively supported. To meet food offer through efficient market mechanism each citizen should have potential to be provided with food any time. This will be done through directing public resources to low-income citizens and formulation of demand having payment potential.

Meanwhile being on satisfactory quantitative level, food offer should meet modern demands for quality, population should be provided with ecologically clean products. To that end, efficient quality and security control system should be established.

International experience shows that one of the most important elements of reliable food supply system is expected risk management. In this relation, state food reserve in necessary volume will be established, it will be managed according to modern demands, and application of advanced insurance mechanisms will be expanded. At the same time, institutional development of food supply system will be in focus, scientific and human resource potential in the agrarian sector will be strengthened, application of advanced models and financial state support for the entrepreneurship development will be enlarged. So, there will be the following directions of state policy by 2015:

In the field of reliable food supply:

- balanced local and regional economic development;
- implementation of monetary and fiscal policy having promotional impact on the development of real sector;
- Continuing budget policy directed towards improvement of infrastructure provision, increase of volume and quality of social services in the regions;
- Implementation of tax policy directed to stimulate increase of food production;
- Taking into account the WTO rules, carry out relevant actions related to protection of domestic food market from unfair competition;
- Carry out preventive measures to keep inflation on manageable level;
- Continue policy for protection of ecological balance and bio-diversity;
- Continue measures to increase land and water efficiency;
- Develop plant growing and cattle-breeding based on intensive farm activity, improve logistics in this field, organise seed-farming and pedigree-cattle breeding according to current demands;
- Improve agrarian statistics;

- Develop cooperation with international organisations to improve food supply;
- Continue the policy related to the increase of wages, pensions and benefits, as well as targeted social assistance, bringing minimum wages and pensions to living wage.

In the field of safe and qualified food supply:

- Establishment of legal basis to implement quality management systems relevant to ISO standards in the field of food production;
- Improvement of food security mechanisms, establishment of legal basis for transfer to international HACCP (Hazard Analysis and Critical Control Points);
- Taking into account international practice in the field of food production, preparation and application of national standards;
- Based on the principle of “from the field to the table”, preparation and implementation of quality control system and mechanisms in relevant fields in all stages of food production chain.

In the field of risk management related to food supply:

- Development of legislative framework on the establishment of food reserves to get prepared for emergency case;
- Establishment and efficient management of State Wheat Fund;
- Establishment and management of state reserves of main food products;
- Establishment of infrastructure meeting modern demands to conserve food stock on required level;
- Establishment of flexible mechanism to prevent emergency cases.

In the field of improvement of entrepreneurship environment and institutional development of food supply system:

- Expansion of implementation of advanced models for entrepreneurship development;
- Increase the volume of concession credits granted for agricultural production and processing entities;
- Continue the measures of subsidy granting for farmers, improve their supply with techniques, fertilizers and chemicals;
- Application of modern insurance mechanisms in the field of agricultural food production;

- Support to establishment of unions, associations, cooperatives in the field of agricultural and food production;
- Improvement of business environment, expansion of possibilities to market access;
- Development of fair competition, prevention of misuse by monopolist business units;
- Improve promotion system to increase competitive production in processing units;
- Expand advisory-information services to businessmen;
- Expand the provision of private technical and other services;
- Improve scientific and human resources in the agrarian sector.

III. Main targets of the State Program by 2015

The target indicators of implementation criteria of the State Program for 2015 are the followings:

- 900 thousand ha of fields under grain crops, 32 s/ha of productivity, 2.8 million tons of general production;
- meat production 340 thousand tons, milk and dairy products 2.4 million tons;
- annual poultry meat production through industrial method 80 thousand tons, egg production 1.3 million pieces;
- potato production 1.12 million tons;
- vegetables and market and garden production 1.72 million tons;
- fruit production 800 thousand tons;
- fields under oily crops 1.35 thousand ha;
- fields under sugar beet 20 thousand ha;
- tea leaves production 3 thousand tons;
- fields under forage 500 thousand ha;
- high quality and balanced mixed forage production 2 million tons a year.

IV. Budget and Financial Sources

The implementation of the activities planned under the State Program will be financed from the following sources:

- State budget;
- Extra budgetary funds;
- Local budgets;
- Local and foreign entrepreneurs' resources;
- Other sources.

V. Action Plan
On
the State Program on Reliable Food Supply of Population in the Azerbaijan Republic
in 2008-2015

No	Action	Executing Bodies	Implementation period (by years)
1	2	3	4
5.1. Actions to improve land and water efficiency			
5.1.1.	Inventory of land resources, specification of their qualitative and quantitative indicators	State Committee for Land and Cartography	2009-2010
5.1.2.	Full registration of cultivation areas	State Statistical Committee, Ministry of Agriculture	2009-2015 1 June
5.1.3.	Definition and mapping of eroded, salty, salinated and other lands degraded for other reasons, preparation of proposals for their efficient use	State Committee for Land and Cartography, Azerbaijan National Academy of Sciences, Ministry of Agriculture, Azerbaijan Melioration and Water Management JSC, local executive power and municipalities	2008-2015
5.1.4.	Definition of lands in need of amelioration, preparation of their large-scale maps	State Committee for Land and Cartography, Azerbaijan Melioration and Water Management JSC, Ministry of Agriculture, local executive power and municipalities	2009-2012
5.1.5.	Project implementation for re-cultivation of polluted and degraded lands	State Committee for Land and Cartography, Azerbaijan National Academy of Sciences, Ministry of Ecology and Natural Resources, local executive power and municipalities	2008-2015
5.1.6.	Expansion of activities to increase land fertility and fields of irrigated lands	Ministry of Agriculture, State Committee for Land and Cartography, Azerbaijan Melioration and Water Management JSC, Ministry of Ecology and Natural Resources, local executive power and municipalities	2008-2015
5.1.7.	Involving relatively useless lands in the cones brought with mountain rivers, foothills and plains in arid zones to the agricultural production	State Committee for Land and Cartography, Azerbaijan National Academy of Sciences, Ministry of Agriculture	2008-2015
5.1.8.	Preparation of digital land-cadastral maps by economic regions	State Committee for Land and Cartography, Azerbaijan National Academy of Sciences	2009-2015
5.1.9.	Encourage attracting non-used arable lands to cultivation	Ministry of Agriculture, State Committee for Land and Cartography, Azerbaijan Melioration and Water Management JSC, local executive power and municipalities	2008-2015
5.1.10.	Prevention of building construction in the arable lands, preparation of suggestions to use these lands only for destination, to increase the responsibility for law infringement in this field	Ministry of Justice, State Committee for Land and Cartography, State Committee on State Property Management, Ministry of Agriculture, local executive power and municipalities	2009-2010
5.1.11.	Encourage joining small household farms having plots in cooperatives	Ministry of Agriculture, State Committee for Land and Cartography, local executive power and municipalities	2008-2015

5.1.12.	Expansion of establishment of water users associations	Azerbaijan Melioration and Water Management JSC, Ministry of Justice, local executive power and municipalities	2009-2015
5.1.13.	Improve mechanism of access of agricultural producers to irrigation water, ensure its economic and financial efficiency	Azerbaijan Melioration and Water Management JSC, Ministry of Economic Development, local executive power and municipalities	2011-2015
5.1.14.	Support to implementation of advanced irrigation technologies	Ministry of Agriculture, Azerbaijan Melioration and Water Management JSC	2008-2015
5.1.15.	Regular ecological monitoring of environment (soil and water), provision of relevant information to producers	Ministry of Ecology and Natural Resources	2008-2015

5.2. Actions to develop plant-growing

5.2.1.	Take relative actions so that shift cultivation system in crop production will be in accordance to local conditions	Ministry of Agriculture, Azerbaijan National Academy of Sciences, local executive power and municipalities	2009-2015
5.2.2.	Define optimal cropping patterns and production volume of agricultural crops by regions, give relevant recommendations to farmers and agro-businesses	Ministry of Agriculture, local executive power and municipalities	2008-2015
5.2.3.	Testing and zoning of new productive brands	Ministry of Agriculture, Azerbaijan National Academy of Sciences	2008-2015
5.2.4.	Encourage production of productive and qualitative wheat seeds and meet local demand	Ministry of Agriculture, Ministry of Economic Development	2008-2015
5.2.5.	Take relevant technical and other necessary actions for timely grain harvest without loss	Ministry of Agriculture, "Aqrolizing" JSC	2008-2015
5.2.6.	Develop regulation mechanism of state demand for wheat	Ministry for Emergencies, Ministry of Economic Development, Ministry of Agriculture, Ministry of Finance	2008-2009
5.2.7.	Encourage early potato and vegetable export	Ministry of Agriculture, local executive power and municipalities	2008-2015
5.2.8.	Support the expansion of greenhouse system to grow vegetables	Ministry of Agriculture, local executive power and municipalities	2008-2015
5.2.9.	Rehabilitation and expansion of existing green tea plantations	Ministry of Agriculture, local executive power and municipalities	2008-2015
5.2.10.	Rehabilitation of fruit orchards and plant new ones, encourage fruit export	Ministry of Agriculture, local executive power and municipalities	2008-2015
5.2.11.	Develop vine-growing, increase production of grape brands for food	Ministry of Agriculture, Ministry of Economic Development, local executive power and municipalities	2008-2015
5.2.12.	Support to rehabilitation and expansion of olive orchards in Absheron peninsula and other regions	Ministry of Agriculture, Ministry of Economic Development, local executive power and municipalities	2008-2015
5.2.13.	Support to expansion of sugar beet production	Ministry of Agriculture, local executive power and municipalities	2008-2015
5.2.14.	Encourage the growing of sunflower, maize and other oil vegetables	Ministry of Agriculture, Ministry of Economic Development,	2008-2015

		local executive power and municipalities	
5.2.15.	Support to development of paddy growing in Lankaran-Astara region, Agdash, Zardab, Salyan and other rayons	Ministry of Agriculture, local executive power and municipalities	2008-2015
5.2.16.	Encourage modern agro-technical actions, application of advanced cultivation technologies, development of cultivation culture	Ministry of Agriculture	2008-2015
5.2.17.	State protection in seed growing, taking actions to meet in full the demand for high quality seeds (original, super elite, elite, R1 and R2)	Ministry of Agriculture, Ministry of Finance	2009-2012
5.2.18.	Strengthen logistics of regional state seed inspectorates and modernize laboratories	Ministry of Agriculture, Ministry of Finance, Ministry of Economic Development	2008-2009
5.2.19.	Construction of a plant producing nitrogen fertiliser	Ministry of Industry and Energy, Ministry of Economic Development, State Oil Company, "Azərikimya" State Company, Azerbaijan Investment Company	2008-2010

5.3. Actions to develop cattle breeding

5.3.1.	Encourage the development of cattle breeding and its forage base on the basis of intensive technologies	Ministry of Agriculture, Ministry of Economic Development	2008-2015
5.3.2.	Take relevant actions to develop cattle breeding for slaughter	Ministry of Agriculture, local executive power and municipalities	2008-2015
5.3.3.	Besides dairy industry, support the establishment of intensive private farms cattle-breeding for slaughter in the villages and settlements near Baku	Ministry of Agriculture, Ministry of Economic Development, local executive power and municipalities	2008-2015
5.3.4.	Strengthen logistics of state pedigree cattle-breeding farms	Ministry of Agriculture	2008-2011
5.3.5.	Support to import of strains of cattle from abroad, handling them to private and state pedigree cattle growing agricultural entities	Ministry of Agriculture	2008-2015
5.3.6.	Expand artificial insemination actions in the field of cattle-breeding, transplantation (embryo transfer)	Ministry of Agriculture	2008-2011
5.3.7.	Support for establishment of farms of poultry for slaughter and growing pedigree materials	Ministry of Agriculture, Ministry of Economic Development, State Committee on State Property Management, local executive power and municipalities	2008-2015
5.3.8.	Support for establishment of modern competitive poultry farms	Ministry of Agriculture, Ministry of Economic Development, local executive power and municipalities	2008-2015
5.3.9.	Support for modernisation of entities producing meat, milk and other food products and establishment of new entities in this field	Ministry of Agriculture, Ministry of Economic Development, State Committee on State Property Management	2008-2015
5.3.10.	Full registration of cattle and poultry	State Statistical Committee, Ministry of Agriculture	2009-2015 by 1 January
5.3.11.	Expand cultivation fields of forage, especially alfalfa, maize, sugar beet, barley and others	Ministry of Agriculture, local executive power and municipalities	2008-2015

5.3.12.	Support for establishment of enterprises producing mixed forage	Ministry of Agriculture, Ministry of Economic Development, local executive power and municipalities	2008-2015
5.3.13.	Support for keeping cattle and sheep in steady-state conditions	Ministry of Agriculture	2008-2015
5.3.14.	Development of lake fishing	Ministry of Ecology and Natural Resources, Ministry of Agriculture	2008-2015
5.3.15.	Organize and develop pool farms growing sazan fish variety up to commodity weight	Ministry of Ecology and Natural Resources	2009-2015
5.3.16.	Organisate and develop a breeding of many-coloured gold fish up to commodity weight in sea cages	Ministry of Ecology and Natural Resources	2009-2015
5.3.17.	Development of bee-keeping	Ministry of Ecology and Natural Resources, Ministry of Agriculture, local executive power and municipalities	2008-2015

5.4. Actions to improve infrastructure of food production

5.4.1.	Continue policy of directing state investments to improve infrastructure of agrarian sector, increase the volume and quality of utility services	Ministry of Economic Development, Ministry of Finance other responsible state bodies	2008-2015
5.4.2.	Provide the rehabilitation, extension and restructuring of existing high-voltage transmission electric networks for reliable energy supply of agricultural and food production units in the settlements in the regions	Ministry of Industry and Energy, “Azerenerji” JSC, Electricity distribution networks	2008-2015
5.4.3.	Extend existing gas transmission network in the regions, restructure and gas provision according to demand	Ministry of Industry and Energy, “Azeriqaz” JSC	2008-2015
5.4.4.	Project implementation to improve access to drinking water and improve sewerage system in the rural area	“Azersu” JSC (Water Supply Company)	2008-2015
5.4.5.	Development and implementation of projects to improve heating in the regions	“Azeristiliktechizat” JSC (Heating Company)	2008-2015
5.4.6.	Continue to reconstruct motor roads, including local and inter-village roads	Ministry of Transport, local executive power and municipalities	2008-2015
5.4.7.	Formation of fleet of closed wagons and refrigerator wagons	Ministry of Transport, Azerbaijan State Railways	2008-2015
5.4.8.	Reestablishment and modernization of cargo wagons disinfection-washing station of the Azerbaijan State Railways	Ministry of Transport, Azerbaijan State Railway Agency	2009-2010
5.4.9.	Extend bank and post service types and their area	National Bank, Ministry of Communication and Information Technologies	2008-2015
5.4.10.	Development and extend of using opportunities of information communication systems in the field of agriculture and food production	Ministry of Communication and Information Technologies, Ministry of Agriculture	2008-2015
5.4.11.	Intensify activity for establishment of e-trade	Ministry of Economic Development, Ministry of Communication and Information Technologies	2008-2015

5.5. Actions to develop amelioration and water management

5.5.1.	Improve water reserve management, efficient use of water	Azerbaijan Melioration and Water Management JSC, Ministry of Economic Development, Ministry of Finance, Ministry of Justice	2009-2015
5.5.2.	Improve working regimes of amelioration and irrigation systems and increase their potential	Azerbaijan Melioration and Water Management JSC, Ministry of Finance, Ministry of Economic Development	2008-2015
5.5.3.	Rehabilitation, reconstruction and construction of irrigation and collector-drainage network	Azerbaijan Melioration and Water Management JSC, Ministry of Economic Development, Ministry of Finance, Ministry of Agriculture, State Committee for Land and Cartography	2008-2015
5.5.4.	Continue fight actions against river streams and floods	Azerbaijan Melioration and Water Management JSC, Ministry for Emergencies, Ministry of Ecology and Natural Resources, Ministry of Economic Development, Ministry of Finance	2008-2015
5.5.5.	Rehabilitation and reconstruction of water supply systems for winter pastures	Azerbaijan Melioration and Water Management JSC, Ministry of Agriculture, Ministry of Ecology and Natural Resources, Ministry of Economic Development, Ministry of Finance	2009-2015
5.5.6.	Construction of water reservoirs and irrigation canals to extend irrigated land fields and improve water supply of land	Azerbaijan Melioration and Water Management JSC, Ministry of Economic Development, Ministry of Finance, State Committee for Land and Cartography	2008-2015
5.5.7.	Widely apply water saving techniques and technologies saving during irrigation	Ministry of Agriculture, Azerbaijan Melioration and Water Management JSC, Ministry of Economic Development, Ministry of Finance	2010-2015
5.5.8.	Continue the construction of Tachtakorpu water reservoir, Valvalachay-Takhtakorpu and Takhtakorpu-Jeyranbatan canals included to the project for the reconstruction of Samur-Absheron irrigation system	Azerbaijan Melioration and Water Management JSC, Ministry of Economic Development, Ministry of Finance, State Oil Fund	2008-2011
5.5.9.	Construction of water reservoir over Shamkir river	Azerbaijan Melioration and Water Management JSC, Ministry of Economic Development, Ministry of Finance	2009-2012
5.5.10.	Continue the construction of Tovuzchay water reservoir	Azerbaijan Melioration and Water Management JSC, Ministry of Economic Development,	2008-2010

		Ministry of Finance	
5.5.11.	Construction of II stage of Shamkir machine canal	Azerbaijan Melioration and Water Management JSC, Ministry of Economic Development, Ministry of Finance	2009-2013
5.5.12.	Continue the construction of Upper Mil canal	Azerbaijan Melioration and Water Management JSC, Ministry of Economic Development, Ministry of Finance	2009-2013
5.5.13.	Construction of Neftchala main canal together with pumping station	Azerbaijan Melioration and Water Management JSC, Ministry of Economic Development, Ministry of Finance	2008-2013
5.5.14.	Reconstruction of Mil-Garabakh collector	Azerbaijan Melioration and Water Management JSC, Ministry of Economic Development, Ministry of Finance	2009-2013
5.5.15.	Drilling sub-artesian wells and rehabilitation of existing wells to improve water supply in the rayons	Azerbaijan Melioration and Water Management JSC, Ministry of Economic Development, Ministry of Finance, Ministry of Ecology and Natural Resources, Ministry of Agriculture	2008-2015

5.6. Actions to increase efficiency of veterinary services

5.6.1.	Approximation of legislation in the field of veterinary-sanitation to the international requirements, ensure the approximation of veterinary certificates to the recommendations of International Veterinary Code of the International Epizootic Bureau	Ministry of Agriculture, Ministry of Justice	2008-2015
5.6.2.	Take actions related to identification and registration of agricultural animals	Ministry of Agriculture	2008-2015
5.6.3.	Taking actions to develop private veterinary services	Ministry of Agriculture, local executive power and municipalities	2008-2015
5.6.4.	Modernization of veterinary-sanitation units	Ministry of Agriculture, Ministry of Economic Development, Ministry of Finance	2008-2010
5.6.5.	Strengthen logistics of veterinary laboratories	Ministry of Agriculture, Ministry of Economic Development, Ministry of Finance	2009
5.6.6.	Provision of the Azerbaijan Biological Centre (Goychay rayon) with equipment	Ministry of Agriculture, Ministry of Economic Development, Ministry of Finance	2010
5.6.7.	Establishment of modern veterinary units and supply with equipment	Ministry of Agriculture, Ministry of Economic Development, Ministry of Finance	2009-2015
5.6.8.	Strengthen trans-boundary veterinary control actions directed to prevention of trans-boundary and especially dangerous animal deceases	Ministry of Agriculture	2008-2015
5.6.9.	Strengthen actions of animal protection from dangerous deceases and actions to fight against epizootics	Ministry of Agriculture	2009-2015
5.6.10.	Support for construction of private slaughters	Ministry of Agriculture,	2008-2015

	according to sanitary norms in big settlements	Ministry of Health, local executive power and municipalities	
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5.7. Actions to increase efficiency of state phyto-sanitary control

5.7.1.	Improve legislation on phyto-sanitary control according to international standards, rules and recommendations, develop international cooperation	Ministry of Agriculture, Ministry of Justice	2008-2015
5.7.2.	Implementation of actions and programs of technological regulations on plant protection and quarantine of state and regional importance	Ministry of Agriculture	2008-2015
5.7.3.	Support to the activity of private phyto-sanitary service	Ministry of Agriculture	2008-2015
5.7.4.	Establish the information-consultancy system reflecting the phyto-sanitary situation	Ministry of Agriculture	2008-2015
5.7.5.	Carry out actions to provide the field of phyto-sanitary control with mobile auto-laboratories and other technical facilities	Ministry of Agriculture	2008-2015
5.7.6.	Extension of establishment and application of a system of integrated biological fighting actions	Ministry of Agriculture, Azerbaijan National Academy of Sciences	2008-2015
5.7.7.	Strengthen the state control on the quality and application of pesticides in all stages of their circulation	Ministry of Agriculture, Ministry of Economic Development, State Agency for Standardisation, Metrology and Patent, State Customs Committee	2008-2015
5.7.8.	Strengthen the logistics of border-crossings and interregional plant quarantine posts	Ministry of Agriculture, Ministry of Economic Development, Ministry of Finance	2008-2010
5.7.9.	Complete the reconstruction of jengi pesticide polygon	Ministry of Agriculture, Ministry for Emergencies, Ministry of Economic Development, Ministry of Finance, Ministry of Ecology and Natural Resources	2008-2009
5.7.10.	Provide modern equipment to the laboratories of State Control-Toxicology and State Plant Quarantine Expertise	Ministry of Agriculture, Ministry of Economic Development, Ministry of Finance	2008-2010
5.7.11.	Improve logistics of plant protection centres	Ministry of Agriculture, Ministry of Finance	2008-2015

5.8. Actions to increase control on food security and quality

5.8.1.	Remove duplication in the field of control on food security and quality and make necessary changes to the legislative framework	Ministry of Economic Development, Ministry of Health, Ministry of Agriculture, Ministry of Justice, State Agency for Standardisation, Metrology and Patent	2008-2010
5.8.2.	Finalise the organizational matters related to Azerbaijan's joining to the Codex Alimentarius Commission	Ministry of Economic Development, Ministry of Health, Ministry of Agriculture, Ministry of Foreign Affairs,	2008

		State Agency for Standardisation, Metrology and Patent	
5.8.3.	Enter Codex Alimentarius, ISO, HACCP, EU standards on food stuff to the national standards system	State Agency for Standardisation, Metrology and Patent, Ministry of Economic Development, Ministry of Health, Ministry of Agriculture	2008-2010
5.8.4.	Establish information-service centre covering standards framework	State Agency for Standardisation, Metrology and Patent, Ministry of Economic Development, Ministry of Health, Ministry of Agriculture	2008-2010
5.8.5.	Finalise the approximation of food stuff certification system to the international practice, as well as EU legislation	Ministry of Economic Development, Ministry of Health, State Agency for Standardisation, Metrology and Patent, Ministry of Justice	2008-2012
5.8.6.	Encourage certified enterprises and organizations applying food security management systems, as well as produced products	State Agency for Standardisation, Metrology and Patent, Ministry of Economic Development, Ministry of Health, Ministry of Agriculture	2008-2015
5.8.7.	Establish central food laboratory according to international standards on food stuff quality and security control	Ministry of Economic Development, State Agency for Standardisation, Metrology and Patent	2008-2009
5.8.8.	Increase control on turnover of genetically modified organisms and their reproductions	Ministry of Health, Ministry of Agriculture, Ministry of Ecology and Natural Resources, State Customs Committee, State Agency for Standardisation, Metrology and Patent	2008-2015
5.8.9.	Increase control on quality and safety of baby food	Ministry of Economic Development, Ministry of Health, State Agency for Standardisation, Metrology and Patent	2008-2015
5.8.10.	Strengthen logistics of sanitary-epidemiological control units in order to approximate food safety to international standards	Ministry of Health, Ministry of Economic Development, Ministry of Finance, State Agency for Standardisation, Metrology and Patent	2008-2011
5.8.11.	Organize actions of sanitary and quarantine protection according to modern requirements in all admission points of state border	Ministry of Health, State Customs Committee	2008-2011
5.8.12.	Extend customs laboratories network	State Customs Committee	2008-2010
5.8.13.	Strengthen actions against infringement of relative legislation on production, processing, transportation, conservation and sales of food stuff	Ministry of Economic Development, Ministry of Health, Ministry of Agriculture, State Agency for Standardisation, Metrology and Patent, Ministry of Justice	2008-2015

5.9. Actions of preparation for emergencies and establishment of state food reserve

5.9.1.	Improve legislative framework on establishment and management of state reserves of wheat and other main food stuff	Ministry for Emergencies, Ministry of Economic Development, Ministry of Agriculture, Ministry of Finance, Ministry of Justice	2008-2010
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5.9.2.	Draft the registry of existing grain elevators and wheat warehouses	Ministry for Emergencies, Ministry of Economic Development, State Committee on State Property Management	2008-2009
5.9.3.	Taking into account current and perspective demand of the country, prepare and implement the plan for building of new elevators and wheat warehouses	Ministry for Emergencies, Ministry of Economic Development, Ministry of Finance	2008-2010
5.9.4.	During the state budget drafting, take into account annual financial demand for grain products to be procured to the State Wheat Fund	Ministry for Emergencies, Ministry of Economic Development, Ministry of Finance	2008-2015
5.9.5.	Define sorts and volumes of reserves for the formation of state food reserves	Ministry for Emergencies, Ministry of Finance, Ministry of Economic Development	2008-2015
5.9.6.	Capital repair of existing warehouses and other engineering equipment or construction of new warehouses in the entities keeping food reserves	Ministry for Emergencies, Ministry of Finance, Ministry of Economic Development	2008-2015
5.9.7.	Improve fire protection during the production and conservation of agricultural products and food stuff	Ministry for Emergencies	2008-2015

5.10. Actions of financial support to food production

5.10.1.	Establish private universal agrarian bank providing set of financial services to the agriculture and agrarian-industrial enterprises	National Bank, Ministry of Finance, Ministry of Economic Development	2009-2010
5.10.2.	Continue the policy of granting credits of favourable terms to the entrepreneurs, as well as businessmen dealing with agricultural and food production at the expense of National Entrepreneurship Support Fund, State Agency for Agricultural Credits and other organisations	Ministry of Economic Development, Ministry of Agriculture	2008-2015
5.10.3.	Support to bank granting of micro-credits	National Bank	2008-2015
5.10.4.	Establish legal framework for the activity of non-banking credit organisations	National Bank	2008-2009
5.10.5.	Improve the normative legal framework in order to decrease transaction costs of agrarian financial services	National Bank	2008-2009
5.10.6.	Improve the list of agricultural property having financial support for insurance and types of insurance events	Ministry of Finance, Ministry of Agriculture	2009-2010
5.10.7.	Improve the rules of party state insurance of risks in grain production	Ministry of Finance, Ministry of Agriculture	2008-2009
5.10.8.	Apply advanced insurance practice used in the	Ministry of Finance,	2009-2011

	field of agricultural production of foreign countries	Ministry of Agriculture	
5.10.9.	Improve the mechanism of financial incentives to grain producers	Ministry of Economic Development, Ministry of Agriculture, Ministry of Finance	2008-2010
5.10.10.	Improve the rules of providing mineral fertilisers to agricultural producers on favourable terms	Ministry of Agriculture	2009-2010
5.10.11.	Continue the support for fuel and lubricants through state budget	Ministry of Agriculture, Ministry of Finance, Ministry of Economic Development	2008-2015

5.11. Actions of support to entrepreneurship activity

5.11.1.	Improve the legal framework in the field of food production	Ministry of Justice, Responsible state bodies	2008-2015
5.11.2.	Continue the actions to improve business climate in the country	Ministry of Economic Development Other state bodies	2008-2015
5.11.3.	Continue the actions for establishment of specific economic zones, industrial cities, business-incubators	Ministry of Economic Development	2008-2015
5.11.4.	Implement measures for the development of entrepreneurship and protection of competition in the food production and agriculture	Ministry of Economic Development	2008-2015
5.11.5.	Eliminate obstacles in access to qualitative food market	Ministry of Economic Development	2008-2015
5.11.6.	Establish healthy competition in domestic production	Ministry of Economic Development	2008-2015
5.11.7.	Prevent false advertisement events during the sales of food products	Ministry of Economic Development	2008-2015
5.11.8.	Organise monitoring in order to prevent falsification of trade marks of food stuff	Ministry of Economic Development, State Agency for Standardisation, Metrology and Patent	2008-2015
5.11.9.	Carry out actions to prevent and eliminate the cases of misuse done by monopolists in the food market	Ministry of Economic Development	2008-2015
5.11.10.	Establish information system regularly informing the agricultural producers about the prices, import, wholesale and retail sale markets of main agricultural crops and other necessary information	Ministry of Agriculture, Ministry of Communication and Information Technologies, Azerbaijan National Academy of Sciences	2009-2010
5.11.11.	Expand and organise efficient activity of the network of business training centres providing consultancy-information, vocational training and other types of services for businessmen in	Ministry of Economic Development, Ministry of Agriculture	2008-2015

	the fields of agriculture and food production		
5.11.12.	Support to increase of commodity exchanges' efficiency and expansion of exchange activity	Ministry of Economic Development, Ministry of Agriculture	2008-2015
5.11.13.	Strengthen the logistics of the regional agro-service networks of the "Agroleasing" JSC, sale on technological equipment, processing lines, greenhouses through leasing	Ministry of Agriculture, Ministry of Economic Development, "Aqrolizing" JSC	2008-2015
5.11.14.	Carry out measures to organise the production and repair of agricultural machinery in existing enterprises, support to establishment of new enterprises in this field	Ministry of Industry and Energy, State Committee on State Property Management, Ministry of Economic Development	2008-2015
5.11.15.	Support to establishment of private agro-service enterprises	Ministry of Agriculture, Ministry of Economic Development	2008-2015
5.11.16.	Support to establishment of enterprises producing baby food	Ministry of Economic Development, Ministry of Health, State Agency for Standardisation, Metrology and Patent	2008-2015
5.11.17.	Support to establishment of food stuff sales-purchase storehouses, warehouses, refrigerating cameras, packaging enterprises	Ministry of Economic Development, Ministry of Agriculture, local executive power and municipalities	2008-2015

5.12. Actions to improve scientific research and human resources of the agrarian field

5.12.1.	Restructure of scientific research institutes attached to the Ministry of Agriculture and define main scientific research directions	Ministry of Agriculture, Ministry of Economic Development, Azerbaijan National Academy of Sciences	2008-2009
5.12.2.	Modernise scientific research institutes and regional agrarian-scientific centres, strengthen their logistics	Ministry of Agriculture, Ministry of Finance, Ministry of Economic Development	2009-2010
5.12.3.	Develop and apply scientific rationale to improve land fertility, return salty, salinated and eroded lands to cultivation turnover	Ministry of Agriculture, Azerbaijan National Academy of Sciences, Azerbaijan Melioration and Water Management JSC	2009-2015
5.12.4.	Regulate irrigation water, develop and apply water saving techniques and technologies	Azerbaijan Melioration and Water Management JSC, Ministry of Agriculture	2009-2015
5.12.5.	Protect, keep and use bio-diversity, enrich national genetics bank	Azerbaijan National Academy of Sciences, Ministry of Agriculture, Ministry of Ecology and Natural Resources	2009-2015
5.12.6.	Establish new highly productive crop varieties and animal breeds durable to unfavourable factors of environment, deceases and pests	Ministry of Agriculture, Azerbaijan National Academy of Sciences	2009-2015
5.12.7.	Prepare and apply rationale of integrated plant protection system in the field of efficient plant protection from decease, pests and weeds	Ministry of Agriculture, Azerbaijan National Academy of Sciences	2009-2015
5.12.8.	Prepare and apply methods of increasing the	Azerbaijan National Academy of Sciences,	2008-2015

	durability period of food stuff against microbiological influence	Ministry of Agriculture	
5.12.9.	Develop modern scientific fields, specifically bio-technology, genetic engineering, etc, train human resources in this field	Ministry of Agriculture, Azerbaijan National Academy of Sciences	2009-2015
5.12.10.	Study of food stuff quality and security, expand scientific works to improve and develop scientific principles of nourishment	Ministry of Health, Ministry of Economic Development	2008-2015
5.12.11.	Improve state machinery testing and variety testing stations according to new environment	Ministry of Agriculture, Ministry of Economic Development, Ministry of Finance, State Committee on State Property Management	2009-2010
5.12.12.	Improve the content of specialties in the Azerbaijan Agricultural Academy taking in to account international practice, strengthen its logistics	Ministry of Agriculture, Ministry of Education, Ministry of Economic Development, Ministry of Finance	2009-2012
5.12.13.	Organise the re-training courses of zoo-veterinary specialists	Ministry of Agriculture, Ministry of Economic Development, Ministry of Finance, Ministry of Education	2009
5.12.14.	Strengthen the project and scientific research in the field of amelioration and water management, improve the skills of human resources	Azerbaijan Melioration and Water Management JSC, Azerbaijan National Academy of Sciences, Ministry of Education, Ministry of Economic Development, Ministry of Finance	2009-2015
5.12.15.	Prepare highly qualified staff in the field of application and certification of food safety management systems	Ministry of Education, Ministry of Economic Development	2008-2015
5.12.16.	Implement phyto-sanitary actions on scientific basis, carry out necessary actions related to manpower training and re-training	Ministry of Agriculture, Azerbaijan National Academy of Sciences	2008-2015
5.12.17.	Establish in the regions agriculture-oriented vocational training schools with new specialties on the level of modern standards	Ministry of Education, Ministry of Agriculture	2008-2011
5.12.18.	Extend relations of scientific research and manpower training centres with foreign scientific centres, carry out joint scientific researches	Ministry of Agriculture, Ministry of Economic Development, Azerbaijan National Academy of Sciences	2008-2015