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CURRENT SITUATION FOR BUSINESS DEVELOPMENT IN THE RURAL SECTOR IN AZERBAIJAN

After gaining independence, the path to the development of agriculture, like other sectors of the Azerbaijani economy, was not easy. In this regard, the current results in the agricultural sector were achieved thanks to hard work and the right policy. Our country no longer meets its demand for many strategic products through local production, but even exports agricultural products abroad.

Much work is being done in Azerbaijan to develop the agricultural sector in accordance with the requirements of the modern era. Various privileges are offered to agricultural workers for the development of this sector. Today, in Azerbaijan, preferential loans are provided not only to entrepreneurs operating in cities, but also to farmers. Many farmers who use these funds effectively are transforming their farms into large farms. Dozens of large farms are already operating in the country. The activities of these farms play a significant role in stabilizing the consumer market, increasing export potential, reducing dependence on imports, and generally strengthening food security.

In recent years, along with the development of the non-oil sector, which is one of the important sectors of the economy, the dynamic and sustainable development of agriculture, which plays an important role in increasing the employment level of the population, has been ensured, important steps have been taken towards the efficient use of arable land and existing water resources, thousands of hectares of land have been brought into crop rotation, and as a result, sustainable growth trends in the production of agricultural products have been formed.

In order to achieve a significant increase in the production of cotton, grain and other agricultural crops and livestock products in the republic, important measures have been taken to improve the supply of irrigation water to cultivated areas and to put newly irrigated lands into use, and reservoirs, pumping stations, main canals and other water management facilities have been constructed and put into use.

By the Decree No. 1897 of the President of the Republic of Azerbaijan dated March 16, 2016, "On approval of the main directions of the strategic road map for the national economy and key sectors of the economy" and the issues arising therefrom, based on an in-depth analysis of the current state of the economy, the current situation in the fields of agricultural production and processing industries was systematically and comprehensively analyzed with the participation of relevant state bodies, research centers and independent experts, a series of discussions were held and appropriate assessments were made, and on this basis, a "Strategic Road Map for the production and processing of agricultural products in the Republic of Azerbaijan" was prepared [1]. This Strategic Roadmap reflects the long-term development goals related to the development of the country's agricultural sector.

In order to improve management in the agricultural sector, the Agrarian Services Agency was established under the Ministry of Agriculture of the Republic of Azerbaijan.

Currently, the state provides extensive support to the development of the agricultural sector.

The following are the state support measures in the general area:

- exempt agricultural producers from taxes;
- provide preferential loans to agricultural producers;
- apply customs credit to most of the agricultural and processed imports;
- pay 40% of the cost of the agricultural machinery and equipment sold or leased to agricultural producers by AgroService;
- pay 50% of insurance for agricultural assets and predicted insurable events.

Within the framework of the “Strategic Road Maps for the national economy and key sectors of the economy” approved by the relevant Decree of the President of the Republic of Azerbaijan dated December 6, 2016, the implementation of measures to improve the business environment and regulatory framework for small and medium-sized entrepreneurship, increase access to foreign markets, promote innovations, create a competitive sector, facilitate access of agricultural producers to production facilities, domestic and foreign markets, increase the production of essential food products that replace imports in the domestic market, strengthen food security, increase employment opportunities in rural areas and other areas is successfully continuing [2].

Currently, planning for the future development of agriculture has begun in our lands liberated from occupation. The liberation of our lands will have a positive impact on the development of agriculture. The country's crop rotation will increase, and as a result of the liberation of areas with strategically important reservoirs from occupation, irrigation of hundreds of thousands of hectares will be ensured. There is a huge potential for the development of viticulture, grain growing, cotton growing and livestock breeding in the liberated lands. By properly utilizing this potential, and at the same time expanding the agro-processing industry, sustainable development of agriculture will be ensured.

References

1. On approval of the main directions of the strategic road map for the national economy and key sectors of the economy. March 16, 2016
2. Strategic Road Map for the production and processing of agricultural products in the Republic of Azerbaijan. December 6, 2016
3. <https://smb.gov.az/az> - Small and Medium Business Development Agency website
4. <https://kobim.az/> - Small and Medium Business Development Centers website