



## Azerbaijan: Improving Governance and Public Sector Efficiency Program (Subprogram 1)

Project Name	Improving Governance and Public Sector Efficiency Program (Subprogram 1)
Project Number	51059-001
Country	Azerbaijan
Project Status	Active
Project Type / Modality of Assistance	Loan
Source of Funding / Amount	<b>Loan 3616-AZE: Improving Governance and Public Sector Efficiency Program (Subprogram 1)</b> Ordinary capital resources US\$ 250.00 million
Strategic Agendas	Inclusive economic growth
Drivers of Change	Governance and capacity development Partnerships
Sector / Subsector	<b>Finance</b> - Finance sector development <b>Public sector management</b> - Economic affairs management - Public expenditure and fiscal management - Reforms of state owned enterprises
Gender Equity and Mainstreaming	No gender elements
Description	The program aims to strengthen governance in the public sector and deepen the financial sector, to help diversify the economy of Azerbaijan.
Project Rationale and Linkage to Country/Regional Strategy	The program will introduce rules-based fiscal planning in government's budget system, improve legal and institutional structures governing state-owned enterprises and help improve access to finance. The programmatic approach and policy-based loan will finance two subprograms implemented during 2017 to 2019. An approved transaction technical assistance (TA 9259-AZE) will assist in the implementation of the program.
Impact	Sustainable and broad-based economic growth facilitated

### Project Outcome

Description of Outcome	Allocative efficiency of public resources improved
Progress Toward Outcome	To be assessed during PCR mission.

### Implementation Progress

Description of Project Outputs	1. Rule-based fiscal planning introduced 2. SOEs restructured and private sector participation in economic activities strengthened 3. Enhanced access to finance and improved business environment
Status of Implementation Progress (Outputs, Activities, and Issues)	The loan was released on 3 August 2018. The DMF will be assessed during PCR mission.
Geographical Location	Nation-wide

### Safeguard Categories

Environment	C
Involuntary Resettlement	C
Indigenous Peoples	C

### Summary of Environmental and Social Aspects

Environmental Aspects	Categorized as 'C' since the program is not expected to have impacts on Environment.
Involuntary Resettlement	Categorized as 'C' since the program is not expected to have impacts on Involuntary Resettlement.

Indigenous Peoples Categorized as 'C' since the program is not expected to have impacts on Indigenous Peoples.

### Stakeholder Communication, Participation, and Consultation

During Project Design The project stakeholders include the Ministry of Finance, the central bank and the financial supervisory agency.

During Project Implementation

### Business Opportunities

Consulting Services There are no consulting services needed under the loan.

Procurement There are no procurement activities required under the loan.

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Responsible ADB Division Public Management, Financial Sector and Trade Division, CWRD

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### Timetable

Concept Clearance 18 Aug 2017

Fact Finding 26 Sep 2017 to 05 Oct 2017

MRM 19 Oct 2017

Approval 06 Dec 2017

Last Review Mission -

Last PDS Update 28 Sep 2018

### Loan 3616-AZE

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
06 Dec 2017	08 Jun 2018	20 Jul 2018	31 Dec 2018	-	-

Financing Plan		Loan Utilization			
	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	250.00	Cumulative Contract Awards			
ADB	250.00	06 Dec 2017	250.00	0.00	100%
Counterpart	0.00	Cumulative Disbursements			
Cofinancing	0.00	06 Dec 2017	250.00	0.00	100%

Project Page <https://www.adb.org/projects/51059-001/main>

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