

**National "Habitat" Committee
of Azerbaijan
national Centre "Habitat"**

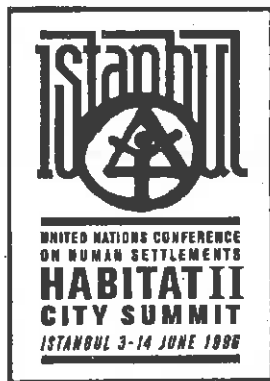
Azerbaijan

**Steady development of habitations
and living environment**

National Report on

UN

Programme



Baku- 1996



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TO PARTICIPANTS OF UN CONFERENCE "HABITAT"
ON STEADY DEVELOPMENT OF HABITATIONS

I greet all the participants of UN conference devoted to problems of steady development of habitations.

I hope that it will become an important stage on the road of providing a worthy living environment for man.

Today, on the threshold of the XXI century, after the end of "the cold war" and liquidation of the danger of self-destruction, with joint efforts we must work out new, higher standards of human development and perfection of living environment.

Interrelation of peace, stability and steady development is evident. For more than eight years the aggression of the Republic of Armenia against Azerbaijan is going on. Over twenty per cent of our territory has been occupied, more than one million of our citizens have become refugees and displaced persons and live in hard conditions in tent camps.

The tragic consequence of such a mass violation of human rights and destruction of traditional living environment of people by the aggressor have created great socio-economic hardships for Azerbaijan.

We are grateful to the world community for the rendered humanitarian assistance and hope that the peace talks which we are holding, will lead to regulation of the conflict and liquidation of its grievous consequences.

Liberation of the occupied territories will allow us to realize the programme of "Home-Coming" aimed at restoration of towns and villages, return of refugees to their native lands, social rehabilitation of over a million of our citizens deprived of homes and normal living conditions.

I wish all the participants of the Conference a fruitful work and successes, peace, stability and prosperity to all the nations of the Earth which is our common home.

Sincerely Yours,



HEYDAR ALIYEV

President of the Republic of Azerbaijan

INTRODUCTION

AZERBAIJAN'S APPROACH TO PROBLEMS OF STEADY DEVELOPMENT OF HABITATIONS

The conference and the world summit dedicated to "Steady development of habitations and living environment" is a landmark in the history of the world community. The national Committee "Habitat" of Azerbaijan hopes that this conference will enable the states to consolidate their efforts for solution of many problems and render a real assistance to determine the strategic goals and tasks of a new type which is facing the mankind in the coming millennium.

Creation of living environments for providing normal living conditions for population is considered in the republic as one of priority directions in the field of protection of human rights is gaining a steady development as a basis of stability in the society and state. All the programmes worked out in Azerbaijan make man the centre figure of all issues. Needs and interests of man as the basis of all foundations of development links the problem of steady development of habitations with the process of steady human development. The very crisis of human development leads to careless destruction of living environment, to unsystematic expansion of towns.

Azerbaijan a country with high indicators of human development which is equal to 71,0 according to data of the United Nations of 1994, confirms her adherence to new socio-economic philosophy once more which regards man to be the basis of its notion. Being aware of responsibility before the present and future generations, the government of the republic follows unbendingly the principles of preservation of rich natural heritage, steady and integrity of living environments for our children.

Azerbaijan, proclaiming her adherence to building a new civil society based on principles of equal opportunities, command of law, democratic management and new partnership relations among all the states and nations, displays a special interest to the success of the summit conference Habitat. Azerbaijan, who has recently gained her independence, has been facing with serious problems of destruction of traditional living environments and a break in the development of habitations.

The unique geopolitic location, accumulated economic, cultural and intellectual potential of the nation allow the republic to solve the tasks of the transition period and provide a worthy living for population in the shortest period. But the processes of democratization, economic and social reforms are taking place in Azerbaijan on the back round of the military aggression of the Republic of Armenia which has led to the occupation of 12 districts of Azerbaijan.

The aggression has resulted in the ruin of towns and settlements aging for centuries, destruction of the accumulated economic potential and cultural heritage in the occupied territories, mass violation of human rights and traditional living environments. Over a million of population of the republic driven away from their ancestral, native lands have found themselves in conditions of tent camps deprived of elementary means of living. The colossal economic damage suffered by Azerbaijan as a result of occupation of 20% of her territory has aggravated considerably the socio-economic condition of all the population, created the strategic problem of restoration of towns and settlements in the occupied Azerbaijan lands.

The existing situation of "neither peace, nor war", at present delay of signature of a peace treaty with Armenia, the latter's continuing policy of territorial pretensions to Azerbaijan affect tragically the condition of refugees and displaced persons, as well as the state of habitations in the occupied

territories turned to "a dead zone" by the occupants. The world community, which has recognized the sovereignty and territorial integrity of Azerbaijan, is trying to exert influence the solution of the conflict with the help of various of its bodies, but not any effective steps for the liberation and return of the refugees and displaced persons have yet been taken. Without the solution of this global problem Azerbaijan is not able to solve the objectives of the UN programme "Habitat" in full volume.

Azerbaijan confirms once more her adherence to such principles of security of mankind which could provide the safety of people in their living environment, she also thinks that the condition of refugees and displaced persons present an obscure picture of defencelessness of man before the face of the military aggression and demands urgent political reaction on international level.

Historical facts witness that the territory of Azerbaijan was densely populated from the ancient times. The archeological excavations revealed a number of habitations coming from the epochs of Mesolithic, Bronze Age and early Middle Ages. Development of these ancient habitations led to intensive formation and development of early feudal towns which became administrative and political centres of provinces. The decisive factor in the formation of medieval feudal towns as socio-economic categories was the development of crafts and growth of trade, meanwhile keeping ties with rurals, cultivation of soil and gardening. The birth of such towns as Gabala, Beylagan, Barda and others are referred to the V century by historians, though a number of towns of Azerbaijan existed long before.

Accumulation of population in towns conditioned economic and social progress in society, development of culture and art, spread of literacy and education. Towns became centres of concentration of industrial production and commerce, planning and management of development of territories and human societies. It determined a special quality of living environments in urban habitations in distinction from rurals.

The birth, spread and development of urban living environments marked the process of urbanization in the territory of Azerbaijan and defined her place in the urbanized world.

The most significant factor of socio-economic development of Azerbaijan, which stimulated her urbanization, was the rich reserves of oil and the beginning of its industrial development. The first oil fountain of 1847 became an impulse for the development of a great industrial complex in Baku with all corresponding conveniences of an urbanized living environment. Already in 1901, Baku produced 667,1 million poods of oil which was half of world's, and 95% of Russia's oil output. As a result of it, foreign capital began to flow in big quantities into the republic to Baku, a town with 15,7 thousand population in 1874, by 1920 it became a city with 200 thousand population and by 1996 it reached the level of 2 millions.

The present stage of the process of urbanization in Azerbaijan is characterized by problems connected with urbanization common to the whole world and to countries living the transition period of restructuring of social-economic formation and also by specific features distinguishing the conditions of her development from the majority of countries.

Rapid growth of the number of towns (from 25 in 1941 to 60 in 1976) and their size in Azerbaijan after the second World War, huge flow of migration from rurals to big towns, where the majority of economic potential of the republic was concentrated, led to the increase of the urban population from 44% in 1950 to 52% in 1976. In the following 20 years this figure grew inconsiderably and gained the level of 53,2% in 1995.

As a consequence of this process a disproportion in socio-economic development of various microregions of the country emerged. It is suffice to note that 60% of the industrial potential of Azerbaijan has been concentrated in Baku. The big urban agglomeration eccentrically located in the extreme East of the republic, Baku occupies less than 3% of her territory and concentrates 27,6% of

her population. This agglomeration also includes Sumgayit, the second of the three industrial centers of the republic.

The development of the process creates the tendency of the growth of the agglomeration to a huge megapolis, wholly constructed territories, increase of disproportional anthropogenic influence on the natural environment, exceeding the limits of natural capacity of towns to adapt the migrants to stereotypes and modes of corresponding viability, behaviour and other negative consequences of unregulated urbanization.

Regional peculiarities of urbanization of Azerbaijan were conditioned by common socio-economic processes of development in the composition of the USSR in the last 70 years.

The present state of the process of urbanization in countries with transition in economy is characterized by a tendency of degradation of living environments, dissatisfaction of demands in residences, low level of capital investments to construction, critical aggravation of the state of house fund, regress of the base of building industry, lack of rent policy, ineffective management of towns, etc...

The specificity of countries of the given region at the present stage can be formulated like this: - the realized in them reforms in the field of development of habitations and living houses are implemented into life in conditions of economic crisis, sharp social depression, fall of production, lack of effective system of state regulation and its most important links on interdepartmental level, disintegration of established functional mutual relations, lack of legislative base and stable traditions in intermarket relations, socio-political instability which restrict the chances of investments outside the budget, inflation which reduces subsidies to the consuming sector; low level of wages (not including the means to acquire and maintain living residences on market prices), increase of unemployment, and others. The issues of land owning, municipal estate property, registration and exploitation of lands in possession of towns and other issues of privatization and formation of market relations in the development of town-building have not yet been solved.

It all prevents the solution of house and other problems of development of habitations on the basis of traditional schemes and mechanisms. It conditions the necessity of elaboration and realization of a new, extraordinary policy. Unsettledness of these problems increases social tension in the society, reduces economic potential of economic complex of the republic.

On the background of these critical events, common for all the countries of the region with transition in their economies, the most specific for Azerbaijan is the factor of the foreign aggression. Casus belli for it was the conflict, which emerged in 1988 around the Upper Garabagh, an integral part of Azerbaijan, located fully and wholly within the limits of her state borders officially recognized by the world community. Since the first days of its existence it caused the flow of Azerbaijan refugees, driven from Armenia as a result of ethnic cleaning and migrants from the own territories of the republic, i.e., from the Upper Garabagh and adjoining districts.

To the factor of the foreign influence one should refer also the fact of transport blockade specific for Azerbaijan. In the course of the whole period the Autonomous Republic of Nakhchivan, an integral part of Azerbaijan, separated from her by territories under the jurisdiction of Armenia, has been living in blockade.

Aggregate of afore-stated factors has conditioned the specificity of the process of urbanization in Azerbaijan in the final stage of the analyzed period, a disbalance between the continuing increase of population in towns and regress of the economic base. Their interrelation has led to the birth of tendencies of destabilization of the development of towns, violation of the balance of the social structure of population, growth of lumpenized strata of population, growth of social tension, reduction

of competence of local bodies of power and management of life system, degradation of their infrastructures.

The significance of this specificity of Azerbaijan for the world community is defined by the complicatedness of solution of the problems of development and functioning of habitations in her territory, is fraught with unpredicted consequences in town communications which have become the focal point of town-building, ecological, economic, social and other problems.

DEFINITION OF NOTIONS

The approach of Azerbaijan to problems submitted to the discussion of the world conference "Habitat-II" in Istanbul also influences the main notions adopted in the republic which establish a corresponding system of criteria for estimation of living conditions of population and steady development of habitations. On the basis of the afore-said the following notions are proposed in the National Report: Living environment - it is a spatial aggregate natural, anthropo- and technogenic system providing the viability of population in the territory of their habitation.

Stability of habitations- it is the ability of unrestricted formation and preservation of optimal living environment, development and stable functioning of infrastructures providing the viability of population adequate to their natural demands without damaging the fund of natural resources and analogical interests of future generations in various combination of circumstances, including extremal ones.

Urbanization - it is the process of spread of the quality of living conditions, mode of living, stereotypes of behaviour corresponding to established standards of urban living environment.

An attempt has been made in the report to define the regularities of the process of urbanization, the tendencies of development of its components for forecasting of the state of problems and elaboration of concepts for their effective solution. In connection with it, the processes are considered in dynamics of various periods of socio-economic development of the republic since "Habitat-I" in 1976 to 1995. The afore-said conditions the differentiation of this period to main stages of socio-economic development of the republic -1976-1988, 1989-1991 and the period of sovereignty of the republic, i.e., 1991-1995, by distinguishing the turning key moments of corresponding processes. It allows to provide necessary representation and correction of the results of analyses and their conclusions.

PROCESS

The afore-said determines the conceptual basis of the methodology of preparing the National Report, which includes:

-collection and calculation of quantitative indicators of social-demographic conditions of living, economic condition of population and townforming bases of habitations, possession of residences, the state of engineering installations and amenities, health and ecology of natural environment, crime and management of territories and others in aggregate determining the quality of environment and conditions of living;

- preliminary indexation of indicators of the state of main infrastructures of life support and installations meeting the requirements of existing standards as the basis of estimation of the quality of living environment and life conditions and objective choice of the best example from the practice;
- analyses of dynamics of changes in these indicators conformable to various socio-economic stages of development of the republic;
- definition of tendencies of development of quality of living environment and conditions of population;
- determination of main problems and priorities in their solution as the basis for working out the National Program of Action.

A complex approach to the preparation of materials of the National Report and National Program of Action required the formation of the National Committee "Habitat" which united the efforts of a wide range of state, municipal and public organizations of the republic, academic, research and design institutions, separate expert and others including the State Committee for Construction and Architecture, the ministries of Economy, Finance, Labour and Social Maintenance, Health, Internal Affairs, Education, Communications, Youth and Sports, committees of Statistics, Ecology and Control on Exploitation of Natural Resources, Communal Economy, Geology and Mineral Resources, Refugees and Displaced Persons, Hydrometeorology; Academy of Sciences, Centre of Economic Reforms, Azgasproject, Bakgiprogor, Yuzhgiproagroprom; municipalities of Baku, Ganja, Mingachevir, the republic's women organization "Sevil", Confederation of Trade Unions of Azerbaijan, the Union of Architectures and others. Preparation of the National Report and Action Programme was realized on a consultative basis. Coordinator of activities of participants of the consultative process was the National Centre "Habitat".

ESTIMATION OF SITUATION AND TENDENCIES OF DEVELOPMENT OF LIVING ENVIRONMENT

GENERAL INFORMATION

The Republic of Azerbaijan is located in the area of 86, 6 thousand sq.km, surrounded by the mountain ranges of the Major and Minor Caucasus, and the Talish mountains on the western coast of the Caspian Sea.

The southern border of the republic lies along the river of Araz and separates her from Iran and Turkey. In the west she borders with Armenia and Georgia. The northern border with Russia lies along the ranges of the Major Caucasus. Azerbaijan has one autonomous republic (Nakhchivan A.R) in her composition.

The territory of the republic presents a wide range of natural landscape zones of the Earth, from deserts to subtropics, from plains to permafrosts and icy alpins. The economic potential of the country is determined by rich natural resources necessary and sufficient for social, industrial and recreational development. Her flora and fauna are rich in endemics and rare relicts.

The number of population according to the statistics of 1995 is 7,5 million. According to the recent general census of the population of 1989 her national composition consists of Azerbaijanis (82,7%), Russians (5,6%), Armenians (5,6%), Lezghins (2,5%), Avars, Ukrainans, Jews, Tatars, Georgians, Kurds and other nationalities (3.6 %).

The history of Azerbaijan covers the period from the birth of mankind, formation and development of civilization to the present day. A witness of it is the numerous monuments of material culture of the ancient nation of Azerbaijan—from the habitations of primitive men in the cave of Azikh and rock petroglyphs of Gobustan to memorial inscriptions of the Roman legions; from ancient megalithic constructions to palace complexes of Middle Ages and modern towns and cities.

Azerbaijan is one of ancient birthplaces of civilization of the world. Historical investigations reveal that the southern territories of Azerbaijan are in the zone of anthropogenesis, in her territories as well as those of the South Africa and Mediterranean, the process of formation of man went on. This process passed all the periods and in the third millennium B.C. led to formation of tribes here and already in the first millennium B.C. there appeared big tribal formations. One of such tribal formations living in the territory of Azerbaijan in the IX century B.C. became the basis for the state of Manna, the beginning of the statehood of Azerbaijan. The first state formations are Manna, Mede Atropatena, Albania and others. Hereditariness of statehood of Azerbaijan, preservation of its traditions in the period of entry of Azerbaijan to the composition of the Arab caliphate, the state of Seljuks (XI century), the renaissance of social, political and economic life in the XII century formed favourable conditions for the steady development of towns and settlements, revised the system of towns of the Middle Ages with corresponding architecture, crafts, arts and enlightenment. At the beginning of the XIX century as a result of the war waged between Iran and Russian the northern part of Azerbaijan

passed under the rule of Russian Empire, the southern part remained under the rule of the Empire of Iran.

Thus, the Turkmanchay treaty laid the beginning of separation of the Azerbaijani nation. Since then, the North Azerbaijan, a colony of Russia, developed in the stream of her socio-political and economic processes.

On May 28, 1918, Azerbaijan restored her state sovereignty and declared the independent Azerbaijan Democratic Republic, which lived only for 23 months and fell on April 28, 1920, when the XI Red Army entered Baku. In the complicated period of April 1920-1922 Azerbaijan tried to preserve her independence in the capacity of a soviet republic, and since December 1922, after the entry to the USSR, she retained such attributes of her statehood as constitution, the right of self-determination up to the right to leave the USSR, banner, hymn and ensign.

The growth of national-liberation movement brought to proclamation of Declaration of Independence of Azerbaijan on August 30, 1991. The constitutional act on the state sovereignty of the Republic of Azerbaijan adopted by the republican parliament on October 18, 1991 gained the support of the whole nation. This event marked a new epoch in the history of the Azerbaijan people. On March 2, 1992, Azerbaijan was adopted to the membership of the United Nations. This very date marks the beginning of a wide scale integration of Azerbaijan with all international organizations.

Azerbaijan is an independent, secular, democratic unitarian state.

The Constitution of the sovereign independent Azerbaijan was adopted on November 12, 1992. The state structure of Azerbaijan is based on the principle of division of powers. Azerbaijan is a presidential republic. The executive power belongs to the president who is elected for the term of 5 years from the citizens of the Republic of Azerbaijan above the age of 35. The president at present is Heydar Alijev, elected on October 3, 1993. The legislative power is exercised by the Milli Mejlis, a one chamber parliament.

The judicial power is exercised by independent courts and their higher instances - the Constitutional Court, the Supreme Court and Economic Court.

At the end of the XX century the mankind met with an unimaginable relapse of medieval barbarism in the form of an unprecedented violation of human rights, mass proscription of millions of people from their native lands, an absolute genocide in relation to a whole nation. And Azerbaijan happened to be among the victims of these tragical events.

In 1987 Armenia raised the question of unification of the province of Upper Garabagh of the Republic of Azerbaijan and took several unlawful actions.

The wave of the Armenian chauvinism risen in connection with this invented problem of unification of the Autonomous Province of the Mountainous Garabagh which has not even a common border with Armenia, led to mass violations of human rights of Azerbaijanis who lived in Armenia. Then began the process of mass proscription and humiliation of 200 000 of Azerbaijanis who lived there for centuries but under the jurisdiction of Armenia at present. It was accompanied by a widescale process of changing of names of settlements inhabited by the Azerbaijanis for centuries to new Armenian ones. It was a stage of ethnic cleansing within Armenia. In 1988-1989 Azerbaijan received the first wave of refugees, old men and women, children, beaten, mutilated, frozen, who have left their homes where they lived for centuries, saving only their lives. It was the first stage of violation of traditionally existing living environments. Up to now these people have no normal living conditions.

Since then, already over 7 years Armenia has been implementing into life the plans of military occupation of the territory of Azerbaijan consistently before the eyes of the world community. After the stage of ethnic cleaning in Armenia the same process began in the Upper Garabagh, also

accompanied by mass violation of human rights, murders. If at first political methods were involved to tear away the Upper Garabagh by using the interference of the Union leadership headed by the Political Bureau of the CPSU in Moscow, later they took the way of military aggression carried out by military formations of various levels. Due to lack of an independent army of Azerbaijan, the actions of the Armenian armed formations were in fact aimed against the civilians accompanied by monstrous crimes.

One of the most inhumane actions against the Azerbaijani was the tragedy in Khojali, occupied by the Armenian troops in February of 1992. As a result of the barbarian actions of vandalism the number of the killed and frozen inhabitants of Khojali is over 1000. There are facts of taunts committed on the dead and alive. The majority of the killed were women, aged and children. The victims of Khojali is an irrefutable witness of political genocide and ethnic cleaning in relation to the Azerbaijan; pursued by the Republic of Armenia.

Just after the events of Khojali in May of 1992 the Armenian invaders occupied the last town, inhabited by Azerbaijanis in the Upper Garabagh, the town of Shusha. Thus, the ethnic cleaning, which began in 1989 in the Upper Garabagh, was completed fully .

After the capture of Shusha and the district of Shusha the Armenian armed forces attacking from two directions-from the territory of Armenia and the Upper Garabagh region - occupied the Lachin district of Azerbaijan. With it the unduclared war gained a new quality which is qualified as a direct aggression on international standards.

In 1992 CESC activized her attempts and the process of negotiations began, but without a concrete result, still stabilizing the situation to some extent. These efforts ended with another provocation of the aggressor as in April of 1993 the Armenian troops occupied the Kalbajar district of Azerbaijan from two directions - from the territory of Armenia and the Agdara district of Azerbaijan in the Upper Garabagh.

After the occupation of the Kalbajar district the Armenian armed forces invaded the district of Agdam, on the background of the Armenian leadership speaking hypocritically of their adherence to peaceful regulation of the conflict.

In October-November of 1993 the Armed forces of Armenia occupied the districts of Fizuli, Jabrail, Zanghilan of Azerbaijan. The aggressor in this way reached the border of Azerbaijan with the Islamic Republic of Iran. The Azerbaijan population were proscribed from all the occupied territories. Huge territories, forming one-fifth of the republic have been turned to "a dead zone" where the only rulers are the military forces of the aggressor.

As a result of invasion of the Armed forces of Armenia there are great destructions beyond the borders of the Upper Garabagh-in the Akstafa, Gazakh, Gadabey districts, in the district of Sadarak of the Nakhchivan AR. The number of the killed only among the civilians, mostly women, aged and children, exceeds 20 000.

Annexationist policy of the Republic of Armenia undermines the numerous mediatory efforts of various international organizations and states to solve the conflict peacefully. The main reason of the failure of efforts to stabilize the situation in the region is that the fact of aggression of Armenia against Azerbaijan is not recognized. Numerous fact-finding missions of such authoritative organizations, as UN and CESC, argueded their inferences from the fact as if it is difficult to define the participation of the armed forces of Armenia in the conflict, though Azerbaijan has necessary proofs and not once presented them to the disposal of the mediators and competent bodies of international organizations.

If the facts of military nature require a special military qualification, how one can deny the well-known political and legal acts witnessing of a full political and military aggression against Azerbaijan by the Republic of Armenia, such as:

- On December 1, 1989, in violation of international law the parliament of Armenia adopted the resolution " On unification of Armenia and the Upper Garabagh not cancelled up to now;
- illegal elections were held in the territory of the Upper Garabagh to the parliament of the Republic of Armenia;
- The parliament of Armenia adopted a resolution not to recognize legal acts which fix the Upper Garabagh as an integral part of Azerbaijan ;
- While proclaiming her independence Armenia included illegally the Upper Garabagh into her declaration.

In the whole course of the conflict the bordering territories of Azerbaijan are being subjected to constant fire by the Armenian side.

In her attitude to peace Armenia ignores the world community, undermines all the efforts aimed at political solution of the conflict. In the process of realization of her far-going annexationist plans the ruling circles of Armenia do not only violate the norms of international law, but also try to discredit the mediator states.

While realizing her minimum programme- occupation of the whole territory of the upper Garabagh, the aggressor began to create it on the parameter of the so- called "sanitary zone" which include the districts the districts of Azerbaijan located around the occupied Upper Garabagh. Forcibly proscribing the local population from these districts the aggressor have destroyed completely, or partially the communications, except those which link them with Armenia. The armed forces of Armenia have realized a well-considered strategic plan of transforming the Upper Garabagh to a territory surrounded by "a dead zone" with the aim of exclusion of possibilities of the return of the Azerbaijan population to places of their permanent residence.

Unfortunately, the experience of recent times shows that indecisiveness, half-way actions and completely inadmissible balancing between the interests of the aggressor and his victim is not only to pretend not to see the aggressor, but also threatens to undermine peace in the whole Caucasus and expand the borders of the conflict.

All these years the Azerbaijan diplomacy has done its best to attract the attention of the world public to crying facts of aggression of Armenia against Azerbaijan and to searches of ways for the peaceful regulation of the conflict. As a result of these efforts the Security Council of UN has adopted four resolutions and her Chairman six statements.

All the resolutions of the security Council confirm the sovereignty and territorial integrity of Azerbaijan and stress the inadmissibility of application of force for invasion of territories, decisively demands the urgent, complete and unconditional withdrawal of armed forces from all the occupied territories and return of refugees to places of their permanent residence.

But all this resolutions are still being ignored by the Republic of Armenia. Moreover, she continues to increase her military presence in the occupied territories of Azerbaijan. On the other hand, the security Council has not yet taken after the mechanism of implementing into life of the adopted resolutions. Azerbaijan remaining faithful to peaceful political solution of the conflict thinks that only by liquidating the consequences of aggression by fulfilling the resolution of the Security Council, it is possible to hold stable and productive negotiations for establishing of a lasting peace and provide the security of the region.

years a tendency of decline. Thus, the natural growth in the republic in 1976 reached to 19,1 for 1000 inhabitants, but in 1994 it fell to 14. For this period the decline in the natural growth was - 1,81%, the reason being the decline in birth and increase of mortality (from 27,6% in 1985 to 21,4 per 1000 inhabitants and from 6,8 to 7,4 per 1000 inhabitants respectively) connected with the consequences of the foreign aggression as well as of the economic crisis. It should be noted that the the share of mortality caused by murders has increased for 7 times in comparison with 1990 and formed 42,2 from the account per 100 men. The catastrophicity of indicators reflects the loss of civilians as a result of the foreign aggression and armed operation of armies of the Armenian armed forces against the civilian urban and rural population of Azerbaijan. The main rate refers to the period of occupation and proscription of the Azerbaijanis under the threat of death from the territory of the Upper Garabagh and the adjoining territories.

A considerable role in the formation of total mortality in Azerbaijan belongs to infant mortality.

**Death mortality (among the infants under one year per 100 borns)
in various microregions of the republic**

	Apshe- ron	Shama- khi-Isma- illi	Guba- Khach- mas	Lanka- ran-As- tara	Kur- Araz	Bala- kan-Za- gatala	Ganja- Ga- zakh	Kalba- jar-La- chin	Nakh- chivan	Rep- ublic
1990	18.4	28.7	34.3	23.9	24.1	29.2	20.8	22.5	15	23
1991	24.2	19.9	40.3	26.3	26.5	26.4	26.8	29.0	19	25
1992	25.7	26.1	49.4	30.6	22.7	25.7	26.7	24.0	21	25.5
1993	26.8	28.6	44.2	31.7	27.2	36.6	29.1	24.2	27	29.8
%	45.6	-1.0	31.8	33.8	17.6	25.3	39.9	7.6	74	29.6

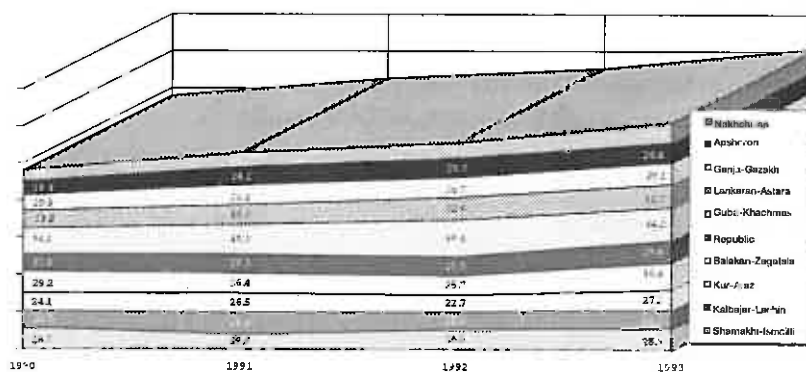
The afore-given Table reveals the tendency of growth of infant mortality practically in all the microregions of the republic. In total the average growth in the republic after the beginning of the armed intrusion being 29,6%, the infant mortality has increased in the Nakhchivan AR, which has been living in the state of blockade for more than 8 years, then follows the microregion of Apsheron, around which the buggest urban agglomeration is developing, that is the agglomeration of Baku-Sumgayit which has concentrated the main industrial potential of the republic in the limited territory which greatly affects the ecological situation; then comes the microregion Ganja-Gazakh situated in close proximity to the zone of the Armenian aggression.

The highest growth of infant mortality was registered in towns of Sumgait, Mingachevir, Naftalan, Shaki, Agdash, Akstafa, Astara, Bilasuvar, Gazakh, Gabala, Guba, Gusar, Beilagan, Zardab, Gadabey, Goranboy in 1994.

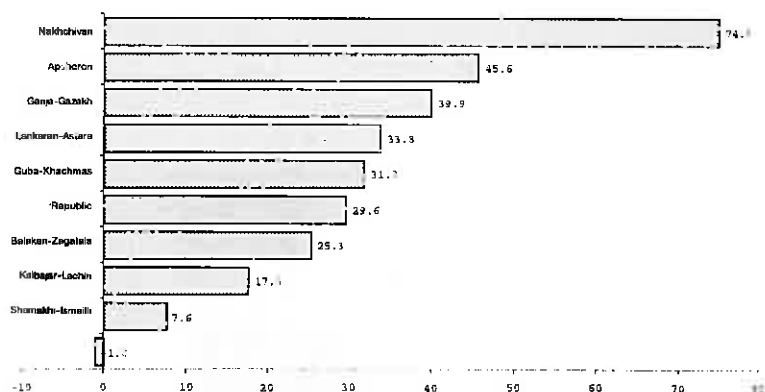
It is not accidental that besides the above given, the lowest level of birth is in the districts of Agdam, Gubatli, Zangilan, Kalbajar, Fizuli, Jabrail which have suffered from consequences of aggression. The stresses suffered by pregnant refugee women, lack of elementary sanitary conditions in places of their dislocation, systematic malnutrition of future mothers, deficit of medicine and child food are the main reasons of infant mortality in Azerbaijan.

It is necessary to note that the indicator of infant mortality calculated on the norms of the former USSR from the account of mortality of infants under 1 year of age greatly increases if the international norms, which take into account children under the age up to 5 years, are applied. According to these norms the approximate level of infant mortality in Azerbaijan is 0.88% and 0,4 % in Baku.

Infant mortality in microregions of the republic
(mortality among infants under 1 year per 1000 borns)



Amplitude of growth of infant mortality on micro regions of the republic
(1990-1993)



Mother mortality has begun to increase sharply since 1990. Haemorrhage and eclampsy are the main reasons of mortality, the level of mortality connected with abortions has also increased

Dynamics of maternal mortality in accordance with their reasons

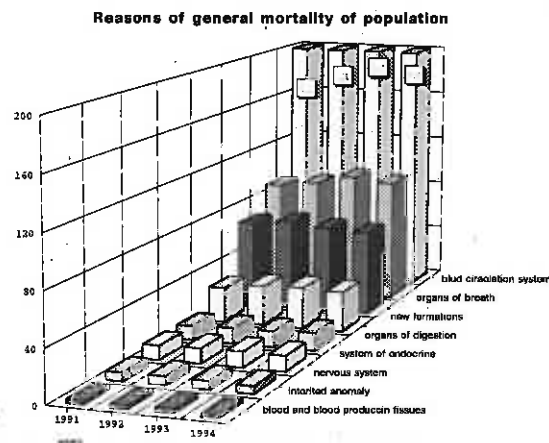
Reasons	1992	1993	1994
Extra-uterine pregnancy	2	2	4
Abortions	-	-	3
Illegal abortions	-	2	3
Haemorrhage	5	-	15
Eclampsy	2	2	13
Sepsis	-	-	4
Others	23	54	28
Total	32	60	70

Analysis of reasons of total mortality of population not connected with any violence shows that the main reasons are oncologic diseases, diseases of the circulation of blood, organs of breath and digestion, i.e. diseases which are directly connected with conditions of living environment, life and feeding.

**Dynamics of non-violent mortality in accordance with their reasons
(quantity - per 100000 people)**

Diseases	1991	1992	1993	1994
of endocrine system	11.0	12.1	12.4	13.9
blood and bloodforming tissues	2.7	2.7	3.3	2.0
nevrous system	10.9	11.7	12.1	11.8
system of the blood circulation	311.9	320.7	347.1	333.2
new formations	68.3	71.2	68.4	66.8
birth anomaly	6.6	6.7	6.3	5.6
organs of breath	89.6	93.4	100.3	97.0
organs of digestion	27.4	31.2	32.5	31.5

All this affects the length of life of population in Azerbaijan from 71,1 in 1990 to 69,6 in 1994 (including for men 65,2, women - 73,9).



The tendency of formation and existence of families are of great importance in the development of demographic processes, formation of a stable society, which determine the main parameters of estimation of the state of living environment in habitations. In conditions of the foreign aggression and economic depression a tendency of sharp reduction of marriages from 11/ 1000 in 1985 to 6/1000 has established. In accordance with it, the formation of families has probably reduced twice, i.e., from 9,3/1000 in 1985 to 5,5/ 1000 in 1994. Thus, the total rate of average annual growth of families being 1,03% between the general census of population of 1970- 1989, the rate of average annual reduction of growth in the period of 1985-1994 has catastrophically fallen to - 6,35%.

At present there are about 1550 thousand families in the republic. It does not include households consisting of one person. According to approximate calculations 160 thousand families in Azerbaijan are headed by women. Their specific weight in the total number of families has increased from 9,05% in 1989 to 10,3% in 1994 as a result of the loss of bread winners during the aggression and because of frequent divorces connected with hard economic conditions of families.

The average size of a family in Azerbaijan is 4,8 persons (0,2 unit/ population). While the size of families in towns is 4,5 persons or 0, 21 families/ population, in rurals 5,2 persons (0,18 families/ population). Dynamics of quantitative composition of families in the period of 1976-1994 witnesses a reduction in the quantitative composition of families in Azerbaijan.

The main reason of the critical condition of families in Azerbaijan is the socio-economic situation aggravated by the foreign aggression and blockade of the republic. Depending on the solution of problems facing the republic, which also define the dynamics of development of families in Azerbaijan, programme that provides the conditions of living, development of infrastructures of life protection, and most of all, improvement of residential conditions will be realized. The ongoing situation is fraught with the danger of growing tendencies of irreversible migration of population. All the more heads of families, or the whole families are obliged to leave the republic in search of jobs to enable them have normal living conditions. This process affects not only the situation with excessive labour forces, but also the increasing brain-drain which is fraught with the danger of destruction of the genofund of the nation.

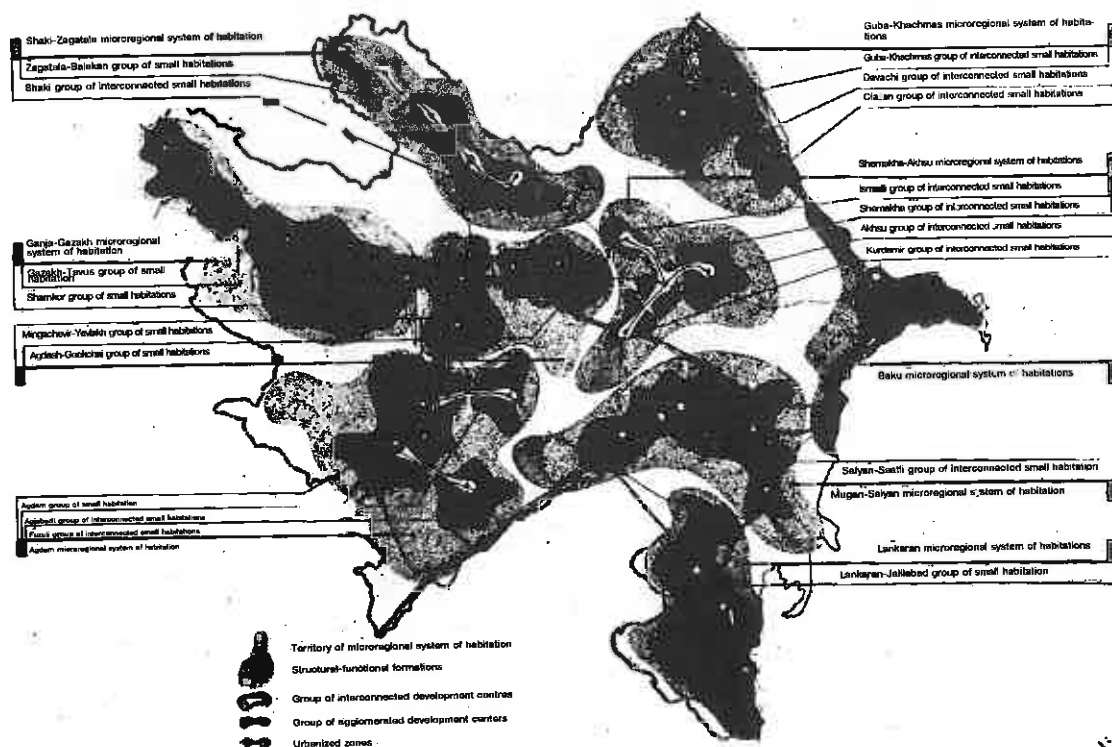
Migration occupies more and more place in the dynamics of rural population of Azerbaijan. Negative balance of migration in the republic is formed on the account of relatively high share (29,4% of the total growth) of migration from rurals which gains -0,57%. To some degree it levels the tendency of flow of inhabitants from towns.

In the last decade (1985- 1995) there emerged a tendency of growth of migrational mobility of population to annual average indicator 0,624%. The events of 1990 connected with the intrusion of the Soviet troops into Baku stimulated this process which resulted in the outburst of migration of population from big towns to -3%, conditioning the growth of the average republican indicator to -1,91%. This year was the turning point which determined the difference of tendencies of migration processes in the republic in the last ten year period. Thus, the total migration mobility of population from -0.524% in the first five years grew to -0,71% after 1990, a sudden increase of flow of population from towns (from -0,05% to -0,99%) and reduction of migration from rurals (from -1,04% to -0, 39%) are observed.

Thus, the flow of urban population is not compensated by migration of population from rurals. In conditions of general crisis of economy, the towns, which experience a collapse of socioproduction potential, are not in the state to fulfil the function of centres of attracting the population from provinces. The hope of arranging their own farms, the adequate living environment and socio-economic potential of majority of small rural towns of agrarian districts obstacle the migration from rurals.

The above-displayed data have been worked up on the basis of official statistics which have not taken into account the influence of the factors of habitation of refugees and displaced persons on the demographic development of habitations. Thus, the number of the registered migrants only in Baku by 1993 was 80,3 thousands, by 1995 148,0 thousands. The main mass (to 35%) of migrants have been accommodated in three bigger towns of the republic. But forming an inconsiderable part of population of these towns (4,5- 4,8%) this group do not exert a significant influence on the growth of population in the initial stage. With the account of migrants the annual average rates of growth of the population of Baku in the period of 1976- 1993 was 1,24%.

system which generate active interhabitat activity and the relation of components, have developed. At present there are 7 town agglomerations in the territory of the republic. They all have emerged along the transport highways forming a kind of planning axis of linear belts of urbanization with various stages of formation and development.



The established spatial peculiarities of urbanization in the republic are characterized by an excentric replacement of two belts of concentration of potential of urban life in her territory - Baku-Sumgait and Ganja. Other areals of concentration of potential of urbanization in the territory are of disperse nature and concentrated in several separate town centres.

Thus, areals of concentration of potential of urbanization in Azerbaijan covers more than 5% of her territory. Excentricity of their location with regard to the rest of her territory complicates the task of providing conditions for regional centres to serve it effectively and create normal spatial time parameters to enable the access of population to them. It suggests the problem of development of the system of transport communications and elimination of disproportion in microregional development of urbanization on the account of stimulating of the growth of the potential of strong centres of the rest of system of habitat.

The biggest and the most developed among them is the Baku agglomeration which concentrates the main socio-economic and demographic potential of the republic (about 30% of population and over 70% of town-forming bases). This and also other reasons of its practically spontaneous development for a long time taken together conditioned the most striking differences and negative consequences of unmanageable evolution of agglomerations as an integral structural element of the system of habitat and the object of town-building activities. To most critical problems among them refer the engagement

of whole territories by constructions and total transformation of natural environment into artificial one. The spontaneity of the process accompanied by lack of well-founded regulation programme led to destruction of valuable natural landscapes, isolation of population from natural environment within the limits of normal transport accessibility, violation of ecological balance of living environments and to its irreversible degradation.

Other town agglomerations developing on various types of bipolar bases, are in rather low states of development and not in less problematic situation - two equal town centers (Guba-Khachmas; Sabirabad-Saatli), hierarchy of centers (Ganja-Shamkhir, Ali-Bairamli-Gazimammad, Gazakh-Agstafa).

A special problem in habitat and town-building in the territory of the republic is the birth of new type of dwellings, i.e., tent-camps for refugees from Armenia and displaced persons.

ECONOMIC BASE OF DEVELOPMENT OF SETTLEMENTS

The basis of stable development of settlements, living conditions of population form the economic base which emerge in the capacity of town-forming factor.

In the recent 70 years the structure of the economic base of the republic has developed in conditions of the system of centralized planning and distribution of resources and has been formed in the capacity of the element of the economic system of the USSR. In these years a powerful industrial potential covering electric energetics, oil and general machinery, chemical, oil, metallurgical, radio-technical and electron industry has been created in the republic. Output of these fields of industry took into account the demands of other regions of the Union.

Azerbaijan in the composition of the USSR was one of three republics which did not get subsidy and had a positive balance in foreign economic relations with Russia and in the period of 1975-1985 annually returned to the Union's treasury 2,5 billion roubles of unused national income of the republic.

Thus, the created industrial-production potential in the republic was not oriented towards the rational use of local natural resources and formation of closed cycles to complete the production. As a result, the industrial-production base of the republic did not obtain the necessary completeness, many links of technologically single cycles of production were located abroad which conditioned the foreign orientation of production ties subjected mostly to the influence of foreign political circumstances. Under such a conception of economic development "an ideological base" oriented to division of labour was formed. It serves the basis for friendship among the nations of the USSR. This is the reason of the low level of production of half-finished products and components of majority of industrial goods and impossibility of independent development of the economic base of the republic. The productive forces were located in the republic without taking into account the harmonious development of all the regions of Azerbaijan.

As a result, one of the most important peculiarities of development of economy of Azerbaijan and specific features of her urbanization - her sharp microregional disproportion of territorial organization were formed. Thus, nearly 70% of branches of industry are located in the Apsheron Peninsula, including 55,2% of energetics, 86% of oil output, practically 100% of oil refineries, 92% of chemical and oil industry, 84,1% of machinery, 90,4% of ferrous and 55,7% of metallurgical industry, 60% of gross industrial production, over 70% of main industrial funds and 53,3% of average annual number of employees of industry. In the territory of the metropolis of Baku are located the plants of deep water bases and air conditioners built in the 70s.

Regional disbalance of development of town-forming potential of the republic determines the sharp polarization of socioeconomic condition of the centre - Baku-Sumgayit agglomeration (the Apsheron microregion) and the rest of all microregions of the republic in 97% of her territory. In its turn it creates a state of instability and spontaneous migration of population to centres in scales exceeding their opportunities of natural self-organization and regulated development.

About 60% of industrial funds have been concentrated in the branches which produce raw and intermediate products. Interbranch links between the initial and final manufacturing of raw materials have not developed, as a result, nearly 60% products exported from the republic do not gain the level ready for consumption.

A certain development has also gained the branch of the agricultural complex, canals, water intakes, pumping stations have been constructed for the needs of agriculture enabling the irrigation of about 1,4 million hectares of soil and carry out reclamation work. The natural climatic conditions of the republic have predetermined the multi-branch specialization of agriculture (grains, cotton, tobacco, vegetables, grapes, fruits, tea). On the basis of them processing enterprises have been built (initial processing of cotton, tobacco, production of cigarettes, fruit and vegetable tins, wines, champagne, tea and others).

Nevertheless, the process of formation of agrarian-industrial complexes enabling a better use of the existing potential of the agricultural production in the republic has not been raised to the necessary level. It is necessary to work out the programme of economic and financial stimulation of entrepreneurship for creating the lacking links of agrarian - industrial complexes in rurals of the republic.

Because of the lack of complexity in the formation of structure of economic potential of the republic many regions of Azerbaijan with excessive labour resources were not included in the general process of socio-economic development. Therefore about 35% of able-bodied population were engaged in agriculture with extremely low productivity of labour. Over 70% settlements in rurals are insufficiently provided with necessary infrastructures (schools, hospitals, roads, telephone and other objects of social and other services).

In 1976-1988 annual average rate of growth of gross product in the state sector formed 3,5%, industrial production 2,8%, agricultural production 5,5%. Living standards of population in these years considerably lagged behind many other union republics. Thus, the level of average wages in industry was for 25% below the average union indicators, in agriculture for 30%.

Since 1989 a decline in production is being observed in Azerbaijan which from 1992 is accompanied by a stormy increase of inflation and a sharp fall in living level of population.

In 1991-1995 the real volume of gross internal product reduced for 62 %, agricultural production for 47%. The indicator of wholesale prices increased for 87 thousand times, consumer prices for 23 thousand times, real currency incomes of population decreased for 7 times.

The level of production in Azerbaijan has sharply fallen since 1989, in 1993 it fell to half of the level of 1989. In 1994 the gross internal product became less in average for 22%, despite the differences in various sectors of economy it fell for 17% in the course of 1995 only. In 1995 the industrial production according to estimations fell for 21%.

Decline in the volume of production was observed in all branches of economy without an exception, particularly in fuel-energy complex for 35,3%, engineering 83,2%, metallurgy for 93,7%, chemical and oil industry for 83%, light industry for 64%, food industry for 80,5%, processing industry for 55%, construction for 95,2%. Transport and other types of services, also the turnover of state trade declined considerably.

The main reasons of economic crisis experienced by Azerbaijan are the following:

-an open military aggression of Armenia against Azerbaijan and loss of one-fifth of the latter's territory which produced 15% of the national income:

-blockade of transport communications, most of all by Russia, as a result of which the integrating ties of enterprises of the republic with their traditional partners in other regions of the former USSR were broken and also lost previous markets for sale;

-branch and industrial structure of economy harming the interests of the republic;

-unstable socio-political situation of 1988-1993 (the leadership of the republic changed for 5 times in this period);

-serious lagging behind in realization of radical economic reforms;

-unsystematic, inconsistent and very often wrong activity of the government in the field of financial, monetary, tax, customs and foreign economic policy.

The obtained relative socio-political stability enabled at the end of 1994 to start the formation and realization of intentional, purposeful economic policy providing the revolutionary transformations in economy.

In 1995 it became possible to realize measures to gain microeconomic stabilization which was envisaged in the economic programme of the government for 1995 approved by the Board of Directors of the International Monetary Fund. To implement this programme into life the International Monetary Fund divided \$ US 172 million credit for Azerbaijan on favourable terms. A severe budget, monetary, emission policy was carried out, currency and goods markets, foreign economic activities were liberalized, preparatory arrangements for the realization of the programme of privatization in 1995 - 1998 were completed.

But the undertaken measures have not yet provided great changes in the state of affairs despite the decline of rates of banks from 260% to 60%, stabilization of the rate of national currency with regard to the USA dollar. Attempts to stop the ongoing inflation by freezing the wages and stabilization of the rate of dollar on the account of strong currency injections in conditions of paralysis of production and low purchase ability of majority of population did not result in the revival of economic activities of enterprises and suspension of impoverishment of population.

The decline of production continued. In 1995 the decline of real gross internal product formed 17%, industrial production 22%, agricultural production 5%. Real incomes of population decreased for 8% in comparison with that of 1994 and the specific weight of the fund of wages in money incomes of population formed 28%.

On the background of hard economic condition of the republic the problem of liquidation of consequences of the aggression of Armenia and the rise of the level of the Caspian Sea look very catastrophic. Approximate sum of damages of undeclared war of Armenia against Azerbaijan is estimated according to preliminary calculations \$ US 22.2 billion. To compensate the losses connected with the protection of coastal territories of the Caspian Sea, redislocation of objects of economy and habitations and also construction of protection engineering installations terms of 1996 require about US \$ 495 million. The total sum of the damage is more than US \$ 12.2 billion.

The process of microeconomic stabilization is going on in 1996, too. Meanwhile, the process of structural transformation of enterprises in conformity with the programme of the government for 1996 and also approved by the Board of Directors of the International Monetary Fund has begun.

In conformity with the programme of privatization of 8 thousand small commercial, service enterprises, unfinished constructions, contract organizations will be privatized in the current year, another 50 medium and big enterprises will be joint-stocked.

FINANCIAL BASE

The whole budget base of local bodies of management in Azerbaijan does not provide for the solution of problems facing by them, having the tendency of decline the average rate of which in 1993- 1995 formed 24,65% (practically twice). Subsidies and loans of the state formed 33- 35% of the municipal budget planned for reduction in 1996.

The republic lacks a strategy of financial policy for the revival of economy, development of productive forces and raising the welfare of population.

Income	1993 in billion manats	1994 in billion manats	1995 in billion manats	1996 in billion manats
municipal income	13,1	100,82	352,7	476,1
\$US million	141,4	70,9	77,5	107,0
% of total sum	66,5	66,6	64,1	70,2
subsidies to municipalities	6,1	50,01	190,8	202,0
% of total sum	31,0	33,1	34,7	29,8
budget subsidies	0,49	0,3	6,5	
% of total sum	2,5	0,2	1,2	
total municipal	19,7	151,3	550,0	678,1
%	100,0	100,0	100,0	100,0
\$US million	212,6	106,4	120,8	152,4

THE QUALITY OF LIVING ENVIRONMENT IN TOWNS

EMPLOYMENT CONDITIONS

Azerbaijan refers to countries with excessive labour resources. The main factors defining the essence of this phenomenon and the tendency of development of the process in the perspective are the high natural level of growth of population, positive balance of migration, limited labour market connected mainly with the production of raw materials, lack of production capacity of processing industry, low level of auxiliary and other completing cycles in complex productions which employ population to apply their labour.

According to statistic data in 1995 there were 66 thousand registered unemployed (3% of labour force) in Azerbaijan, less than half of those who have the status of unemployed. Coefficient of unemployment in the republic has reached 2,6%, including unemployment among women- 36%, youth- 2,9%. But the methods of compiling of official statistic information in therepublic are imperfect and the level of real unemployment according to internationally adopted methodological accounts (which take into account unemployed who have not appealed for work to bodies dealing with unemployment) is about 17-28%.

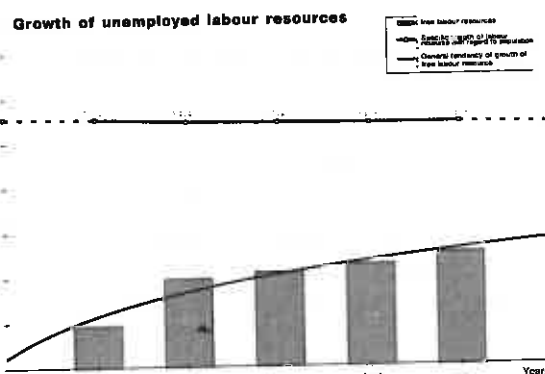
Decline of production in 1990- 1995 reduced the number of employed for 40 thousand people working in various industries.

The aggression of Armenia against republic also exerted a considerable influence on the unemployment, as a result of which 300 thousand jobs were lost in the occupied territories which certainly increased the pressure on the labour market in the republic. Up to now 56,4 % of able-bodied refugees and displaced persons do not have permanent jobs.

It is necessary to take into account the hidden unemployment in the republic emerging in the form of long- term holidays in enterprises which in fact have stopped their activities, but not yet officially declared bankrupts. The perspective of development of production on the account of closure of unprofitable enterprises and application of new, highly productive technologies will strengthen the tendency to increase unemployment in Azerbaijan. Analyses of examined documentation of 1283 enterprises and organizations with 383,3 thousand employees revealed that 12,3 thousand employees, or 3,2% of the whole number have been reduced and 90,4 thousand employees (23,5%) are on unpaid, indefiniteterm, administrated holidays.

Thus, the total number of able bodied population who have been compelled to lose their jobs in the republic forms a third part of her labour resources. Employment chances are increasingly influenced by gender, age, education level and professional qualifications. Among the unemployed women are more than men, only in 1995 the share of women doing housework increased 2,3 times. Totally 50% of unemployed are people under 30 years of age. The labour market is increasingly pressed by pensioners and other categories of population who had not pretended for jobs before. One cannot agree with the estimation of foreign experts who regard the category of employed pensioners as a well-provided group of population. The motive which induces them to return to work is not the aspiration to improve their welfares, but an attempt to undertake measures for self- maintenance in conditions of declining of living standards beyond the critical limits of survival. In conditions when the average level of wages and pensions unable to provide normal foods the pensioners are deprived of chances to use medicine for life maintenance, as the cost of most necessary medical preparations exceeds the sum of average wages and pensions for several times.

Thus, the employed pensioners, the category of population who strives for survival, therefore should be included in the group of population who are beyond poverty.



The reliefs paid to the unemployed in accordance with the legislation are not enough for survival, therefore it is senseless to appeal for jobs and undergo registration in labour exchanges.

Analysis of statistic materials enables to reveal the tendency of ongoing process of decline of the level of employment of population in the last stage of the period under examination.

	1991	1992	1993	1994	1995
Labour resources (in thousands)	3991	4036	3993	3971	4035
Specific weight of number of population (in %)	55,1	54,4	54,2	53,9	53,9
Employed in production (in thousand)	2898	2743	2710	2674	2543
Specific weight of labour resources (in %)	72,6	68,0	67,9	67,3	63,0
Labour resources (in thousand)	375	797	854	926	1016
	9,4	19,7	21,0	22,6	25,0

These data are a witness of the tendency of catastrophically sharp increase of the rate of growth of unemployed labour resources during the last stage, the annual average indicators of which have reached to 28,3% which is quite a critical number.

It is necessary to note that the above data display the ongoing processes in the state sector of production. In forecasting the development of processes of employment of population it is impossible not to take into account the growth of the private sector which at present is the unofficial source of employment of population. In this connection it is necessary to take into regard the high rate of growth (6,7 times) of employed in the private sector from 85 thousand people in 1992 to 567 thousand in 1995.

The preliminary calculations based on the above-shown data reveal that the case of maintenance of the existing situation for near future, by 2000 the number of unemployed in the republic will cover about 40,5% of her labour resources. Proceeding from the hypothesis of inertness of processes of socio-economic development and lack of alternative solution of the problem of unemployment it is possible to say that according to calculations the demand for jobs in 1996-2000 will be within 1,5-1,8 million people.

SOCIO-ECONOMIC CONDITIONS OF LIVING

The beginning of the process of "Habitat" in 1976 coincided with the period of stabilization of processes of urbanization and birth of tendencies of worsening of problems of effectiveness of absolutization of centralized management and planning of socio-economic development of settlements and territories. This period is characterized by the obtained positive indicators in the field of social development which was quite usual for other union republics of the USSR. The level of literacy and education for both sexes of population are on the level of countries with highly developed economies, and the level of mortality among the children and mothers are rather low in comparison with gross internal production per head. Despite the low incomes the basic needs of population were satisfied by subsidizing the prices of food and other products and practically everyone had a free of charge access to health services and education.

Nevertheless, according to official statistics Azerbaijan was in the number of rich republics and therefore could not only do without the subsidies that the other republics were granted, but also had to transfer her incomes to the budget of the Union. Already by the end of 80ies she was among the regions distinguished by sheer poverty of the population in the USSR.

Azerbaijan had the lowest income among the republics (135 roubles against 182 roubles of the average Union level). 34% of respondents got incomes (75 roubles) close to the official limits of poverty. The number of the poor among workers of the industrial enterprises was more than in collective farms differing from the indicators of the Union. Coefficient of Jinni for the distribution of incomes was on the level of 0,75 which was close to the average Union coefficient 0, 272 reflecting relatively narrow distribution of incomes. According to provision of the population with living houses and flats Azerbaijan was among the less provided republics (in 1985-10,2 sq.m. per man).

Being artificially involved in the conflict of Garabagh, from 1989 Azerbaijan subjected to the process of intensive regression of socio-economic development.

The administration of the Soviet Union on January 20, 1990 made an attempt to suppress the expression of will of population by using the army, thus assisting the Armenian separatism and annexation, violating the constitutional right of sovereignty and territorial integrity of the republic in the composition of the USSR, the regular troops of the Soviet Army intruded into Baku without any warning.

The state of social apathy of inhabitants of Baku, the centre of nerves of the republic, caused by the above-described events, aggravated the critical events of socio-economic regression and served as an impulse for oncoming processes of degradation of living conditions. Beginning from 1990 the process of sharp decline of the level of production was accompanied by a stormy development of inflation processes and fall of living standards of population in 1992.

Wages and labour market changed in conformity with the economic crisis to a greater degree as a result of fall of real wages, but not because of the officially stated increase of unemployment. The real income of population by the end of 1995 fell down for more than 10 times in comparison with 1988.

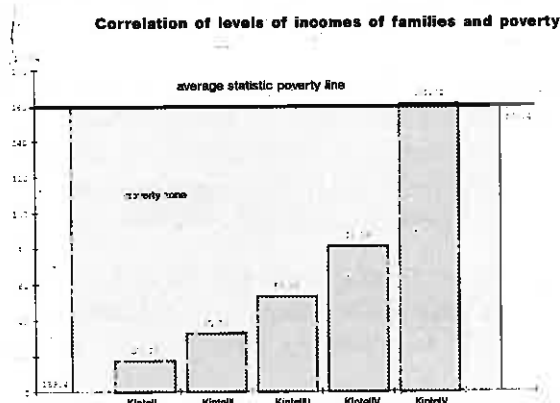
Taking into account the considerable differences in systems of statistic accounts inherited by the republic from the former USSR and internationally adopted standards and also with the aim to provide the comparison of data, the annual income of households has been calculated proceeding from the data of aggregate incomes of families of workers and clerks and shown in the table. It includes the sum of entries from wages, encouragements, authorship emoluments, incomes from individual labour activities, and also scholarships, pensions, reliefs, subsidies, private land plots, etc.. Free of charge education, health service, subsidies for living houses and flats (which form 41,8% of average annual

national income of a family) have not been included into the aggregate income. The statistic data of the country are based on the information concerning the average monthly incomes of workers and employees of industrial enterprises and present a summarized indicator of average monthly income of urban population of the republic.

Indicators	Index	Units of measure	Country	Baku
Households	2	3	4	5
Annual income of households	D.7.	month		
Quintillion: diapason 1		\$USA	<21,5	<27,05
average income		\$USA	17,53	21,17
diapason 2		\$USA	21,5-43,9	27,1-51,9
average income		\$USA	32,70	39,49
diapason 3		\$USA	44,0-62,6	52,0-76,7
average income		\$USA	53,26	64,33
diapason 4		\$USA	62,7-99,9	76,8-119,4
average income		\$USA	81,24	98,12
diapason 5		\$USA	>100,0	>119,5
average income		\$USA	152,4	184,0
Urban product/ urban population			355,1	292,9

The given data witness a sharp disproportion in the incomes of two equal polar groups of households close to 9 (with highest and lowest incomes).

Comparison of indicators with the level of living subsistence in the republic witnesses that 96,7% of households in the republic are beyond the poverty limit which define the conditions of their poor existence on boundaries of survival.



The poverty limit here has been defined on the data of minimal consumer's budget from the account of average annual expenses for a month per one member of the family. Its comparison with the level of an average monthly income in the country (\$13,9) and in towns (\$19,6) without taking into account privileges and subsidies, fares paid for dwellings, health service (if these privileges are taken into

account the level of average monthly income reaches to \$23,6) proves that the majority of population possess several sources of incomes except their official jobs, including informal sphere of activities which provide the living conditions of families. To provide minimal level of living subsistence forces active people to work in 4-5 jobs, thus occupying vacancies and reducing effectiveness of productivity of labour in the whole country. Participation in the informal sector is connected with criminal dangers, development of shadow (criminal) economy, reduction of transfers to the budget.

Modulus 1. Socio-economic development		Country	Baku
Households beyond the poverty limits	%	96,7	87,1
Poverty limit of families	\$USA/month		
of 1 person		33,2	33,2
of 2 persons		66,4	
Average statistical	4,8-4,1	159,4	136,1

The state system of social maintenance covers 1,2 million of pensioners, about 300 thousand invalids, over one million refugees and displaced persons, 2 million children and about 130 thousand students. But scantiness of the fund of social maintenance, formed considerably on the account of deductions of enterprises and organizations for social insurance which do not work at present, is unable to stop the tendency of further impoverishment of population. Thus, as a result of inflation the rise of prices only in 1995 increased the cost of minimal consumer budget for 10,6 times, the cost of food products for 10,1 times while the average monthly wages rose not to the half of these figures.

Extremely low is remaining the correlation of levels of average wages and other social reliefs guaranteed by the state as an addition to the cost of minimal consumer budget. Thus, in January of 1995 the correlation of average wages to the cost of minimal consumer budget was 19,1%, while the correlation of the established minimal wages to it reached to 2,2%, pensions for old age and social pensions to 6,5% and 2,2%, scholarship of students and post-graduate students for 2,2% and 4,4 % respectively. Specific weight of reliefs for families with many children with regards to the cost of minimal consumer budget is even lower.

The most vulnerable layers of society deprived of opportunities of being employed in order to earn their existence sell their properties, let their flats for hire, beg in streets and deal with other forms of unproductive activities. Use of child labour in informal spheres of entrepreneurship has emerged and gained a widespread. Children forced to maintain existence on the level of survival, stop going to school and begin to look for chance earnings. Realization of the programme of "The Street Children" encounters serious economic difficulties.

The birth of house market in 1994 turned the dwellings to one of profitable sources of family incomes. Establishment of indicators of expenses for dwellings determines the most important characteristics of life conditions of population. Dwelling rents in the state house fund do not exceed 6% of the average income of families. It is necessary to take into regard the social privileges which free some categories of population from paying of house rents. Thus, population who live in 50,4% of municipal house fund do not suffer hardships connected with rents. At the same time, monthly private house rent in main cities is equal to an annual average income of a family.

Differences in these indicators determine extremely high rentability of such a source of income. But the sphere of its spread is restricted only with big towns, centers for the arrival of rich foreigners, successive entrepreneurs and other elite officials of foreign companies.

Nevertheless, the limited capacity of this sphere is not able to compensate the disastrous conditions of about 200 thousand families who need dwellings and have no chances to count neither on the

provision by the state (the volume being very small), nor on private lease. Calculations of the indicator of accessibility to dwellings on the above-shown indicators witness that the present level of incomes of an average family in Azerbaijan dooms about a million of her citizens to homelessness in fact and the main mass of population to inability to build their own residences, as the average cost of a residence exceeds the annual budget of a family for 16-19 times.

Indicators	Units of measure	Country	Differant sources of information	
			Baku	Baku
1	2	3	4	5
Part C. House indicators				
Modulus 6. Accessible and proper residences				
H1. Cost of dwelling / income		15,68	12,99	19,00
Average cost of dwelling in 1995	\$USA / sq.m	332,0	337,7	296,5
Cost of an average dwelling	\$USA	12520	12731,3	16426,1
H2. Dwelling rent / income		0,0066	0,0055	0,006
Median annual rent towns	\$USA \$USA	5,26	5,26 8,655	5,26 9,7
Median annual income of households	\$USA	798,3	963,8	864,5

Thus, the main part of population of the republic is deprived of opportunities to get dwellings or hire them in the private sector without a corresponding system of financial stimulation (subsidies, crediting, mortgage and others).

LIVING CONDITIONS

According to the data of 1994 the volume of housing fund of the republic is 91,5 million sq.m. The share of housing fund of towns reaches to 60,3%. 39,7% of housing fund is in rurals of the republic. The past period is characterized by the fall of the rate of growth of house fund from 4% to 1,6%. The most sudden fall of growth of house fund is observed in rurals (more than for 5 times) which mostly have been subjected to crisis in economy and foreign aggression.

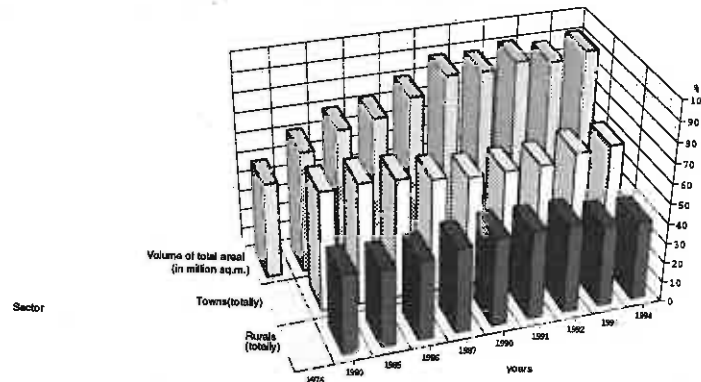
Analysis of growth of house fund of the republic for the recent 35 years (1959- 1994) witnesses a regularity conforming stages of socioeconomic development of the republic. The highest indicators in the construction of living houses reaching the level of 15,3 flats per 1000 head were marked in 1959. In 1970 it was 6,3 per 1000 head. The process of decline of annual volumes of letting houses into exploitation continued till the beginning of the period under account in 1976.

The aggregate rate of average growth of house fund in the period of 1976-1994 formed 3,86%. It was conditioned by comparatively high indicators of growth in the stage of 1976-1987 before the start of "transition to a new socio-economic formation" when the average annual rate was 5,29%. The annual volume of houses let into exploitation in 1976 increased from 4,9 per 1000 head to 5,7 per 1000 head in 1987.

In the stage of "transition period" (1987- 1994) the rate of the average annual growth of the house fund suddenly fell to 1,6% and exploitation to 1,3 per 1000 head. Fall of volume of annual construction of houses has acquired a permanent character since 1990, it fell from 3,2% to

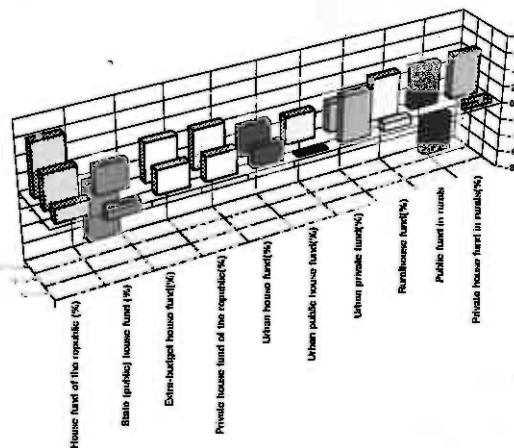
0,85% in 1994. As a result, the number of flats let into exploitation annually in 1976 fell more than thrice from 28, 5 to 9,4 thousand flats in 1994.

Dynamics of structure of house fund in urban and rural habitations



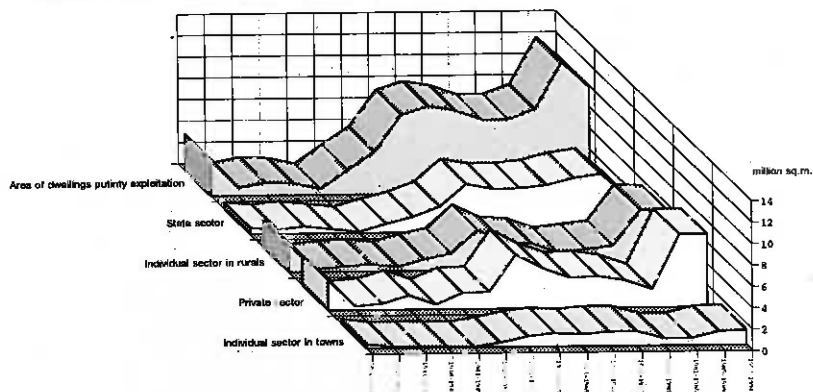
Serious changes have taken place in the structure of the construction of living houses. More than for 5 times the volume of municipal flats has lessened (from 15,8 thousand in 1976 to 3,0 thousand in 1994). With the general tendency in the fall of the volume of individual dwellings (from 12,7 thousand to 6,2 thousand) the construction of private houses increased more than twice in the last stages of this period for 1,88 times and forms more than half (55,7) of the living area and flats (61,4%). For comparison we can say that in the first stage of the analyzed period in 1976-1980 the volume of construction of individual houses was 40,6 thousand units, or 27,5% of this volume.

Rate of growth of house fund



In 1994 these tendencies were strengthened by letting into exploitation of living area and flats for 72,2% and 66,7% respectively. The specific weight of municipal houses built in 1985 fell from 52,8% to 32,2% in 1994.

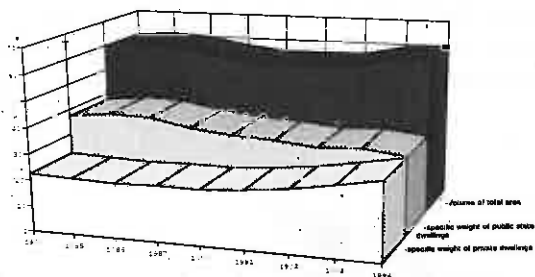
Dynamics of structure of house building on stages of development of the republic



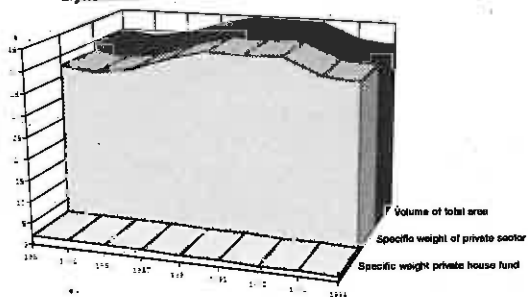
Private construction of houses in rurals is characterized by the highest rate of growth. The average annual rate of growth of construction of individual houses in the last stage of the period was 8,54%, while this indicator for towns reached to 5,67%.

The specific weight of construction in rurals as a whole increased from 27,1% in of 1976-1980 to 54,5% in 1990-1994. Though private construction in towns increased for 9,9% in the first stage to 14,1% in the last stage of the analyzed period, there was a tendency in the increase of the specific weight of the rural construction which exceeded the construction in towns (26,8%/73,2%% in the first stage to 20,6%/79,4% at present).

Dynamics of structure of house fund in towns



Dynamics of structure of house fund in rurals

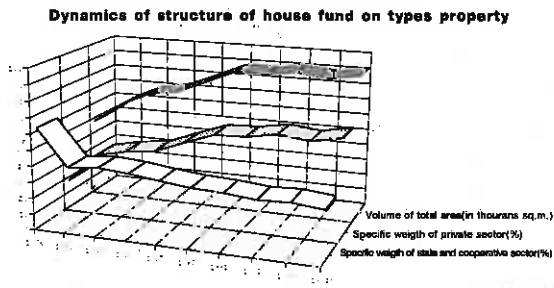


As a result of influence of the revealed processes it was defined that there was a tendency towards stabilization in correlations of urban and rural house funds in the period of 1976-1994 on the level of

60/40%% respectively. Its dynamics is distinguished by the fall of the level of the urban fund from 60,1% to 57,3% of its whole volume in 1987 (with corresponding increase of rural house construction from 39,9% to 42,7%) and its further increase by 1994 to its previous level (60,3%). Rural house fund increased from 39,7% of 1976 to 44,6% in 1990 respectively, and again returned to the level of 39,7% of 1994 (Graphic of dynamics).

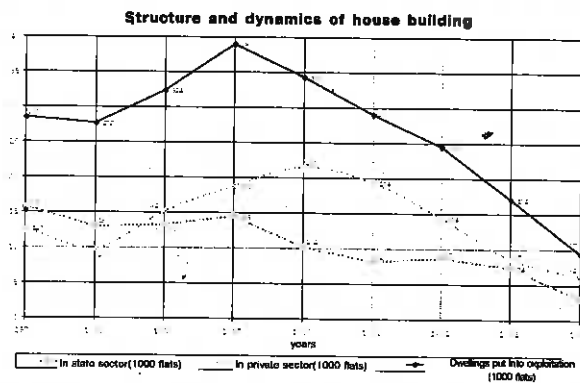
Comparison of this correlation with that of urban and rural population witnesses that there are conditions which stimulate migration of the rural population to towns.

There is also a cardinal change in the structure of proprietorship of the house fund. Thus, if in 1976 the share of the total area of municipal houses was 62,3%, in 1994 it fell twice, becoming 31,6%.



Analysis of dynamics of the house fund shows that in the last period its growth was on the account of intensive development of individual constructions in towns, mainly in small ones. Thus, the share of private house fund increased from 37,7% in 1976 to 68,4 in 1994.

The main specific weight in the structure of house fund falls to the share of the private sector, which is 66,5% and mainly in towns and rurals(59,4%). Municipal house fund prevails only in 4 cities of the



republic (Baku, Sumgayit, Mingachevir and Nakhchivan). Analysis of the dynamics of the process witnesses a sharp change in the tendency of its development. Thus, in the general fall of rates average

annual growth of individual house construction from 4,5% to 2,8% in the adopted stages, its sharp decline is observed in rurals where it is prevailing (96,7), i.e., from 5,2% to 0,6%. At the same time it is necessary to note the reduction of municipal house fund in villages the rate of decline of which has overstepped the threshold of negative values -4,25%.

On the background of above-shown high rates of growth of construction of living houses in rurals in the last stages of the period under analysis the tendency of decline of the specific weight of house fund in rurals seems very paradoxical, i. e., it fell from 44,6% in 1990 to 39,7% in 1994. The rate of average annual decline in the given stage was 2,9%. Meanwhile, the intensity of fall of rates of growth of rural house fund, which evoke negative social problems, reached a critical volume because of its irreversible reduction (from 5% in the first stage of the period to 0,9% in the last, i. e., more than 5 times).

The main reasons of this tendency, were the critical state of economy and also the consequences of the foreign aggression which led to the loss of more than 9 million sq.m. house fund in the occupied territories. The rurals have been subjected to the influence of these factors more than others. Even the high development of house fund in more than 75 years, which seems to be a record, and the house fund of rurals as its integral part (73,2%-79,4%) which in the last stage gained the level of 5,5 million sq.m. (54,5% of all construction) do not compensate the loss as a result of aggression and natural calamities.

It creates conditions for stimulating migrating processes from rurals to towns of youth and young families which in its turn aggravates the solution of house problems in towns creating spontaneous unpermitted construction of dwellings and chaotic construction of territories.

At the same time the growth of private house fund in towns of the republic acquires a stable character. The rates of its annual average growth in the initial, middle and final stages of the period formed 2,0%; 3,4%; 5,4% respectively. This process continues on the background of tendencies of sharp decline of rates of growth of the house fund of public sector from 3,2% to negative values -0,1% caused by impossibility of realization of large scale house construction in circumstances of financial deficiency, lack of big non-government investments when all the interests of economy subjected to the needs of repelling the foreign aggression.

The tendency of privatization of municipal houses influences the structure of the house fund, too. As a result of housing reforms realized in the republic in 1994, 2,97% of flats have been privatized which is 2,26% of total house fund and 9,4% of "social" houses. In towns these indicators are 4,76%; 3,76% and 9,4% respectively.

The examined processes and tendencies of their development led to changes of the quality of housing conditions of population. The level of provision of population with houses increased from 8,8 sq.m. per head in 1976 to 12,3 sq.m. per head in 1994. Average provision of population with houses in towns is higher than in rurals (14 sq.m per man and 10,4 sq.m per man, respectively). The obtained level of the given indicator forms 67,8% of the established minimal norms of general living area per head in conformity with low limits of sanitary requirements of the Housing Code of the Republic.

It is necessary to note that only if each man is provided with 20-21 sq.m. of living area, the health of children and people over 60 will not suffer from the lack of living space. In specific climatic conditions of Azerbaijan this indicator may be raised to 25 sq.m.

Thus, the obtained level of providing the population with houses does not reach even half of the minimal limit (index 0,492) of medico biological conditions of normal vital activity.

The average annual rate of growth of being provided with houses in the examined period was 1,97%. But in the last stage this indicator has not changed in connection with the loss of house fund as a result of occupation of the territory by the foreign armed forces.

At the same time, 64,3% of towns of the republic is distinguished by negative values of rates of growth, i.e., by a tendency of decline in the provision of population with houses. As a result in 63,5% of towns the indicator of provision of population with houses fell to indicators below the average republican level. In 7 towns (12,3% from total) positive rates of growth of being provided with houses are conditioned not only by its high growth, but by reduction of the number of population. The reason of decline tendency of provision with houses in majority of big towns of the republic (76,6% of examined 57 units) is the fall of growth of the house fund to limits not covering the rate of growth of population.

As a result of changes in the existing legislation the average size of dwellings build in the analyzed period increased to 72,4 sq.m. in the stage of 1985-1989 and to 86,7 sq.m. during 1991-1994. Thus, the average sizes of dwellings in the republic grew from 59,9 sq.m. in 1989 to 62,1 sq.m. in 1994. Meanwhile, in contrast to provision with houses the average size of dwellings in rurals is higher than in towns in all the examined stages (in 1989 it was 57,1 sq.m. in towns, 63,8 sq.m. in rurals, in 1994 it was 60,1 sq.m. and 65,8 sq.m. respectively).

Lack of dwelling units in the republic forms about 10% of the existing house fund. It means that about a million people have no their own dwellings in the republic. To this figure the number of people in need to improve their living conditions should also be added.

Reduction of the number of constructed flats led to more than a two-fold reduction of average annual number of persons who improved their housing conditions and got new flats in the examined period. This, in its turn, stimulated the growth of the number of families registered to get municipal flats. Now there are 147,1 thousand families which have undergone registration for getting flats from the public fund. Dynamics of this indicator witnesses of an extremely high level of rate of average annual growth during the last stage of development (4,4%). It is necessary to estimate with alarm the tendency of reduction of the specific weight of families registered to improve their house conditions. It witnesses that not the people who need improvements are able to do it, but the elite who have opportunities and choice for it. The specific weight of this group is very small in comparison with the former at present, and will remain the same in future, too. This tendency is aggravated even more by insolution of the problem of providing with dwellings over a million of refugees and displaced persons.

It is necessary to note that according to studies of 1989 not less than 30,5% of families live in flats contradicting the norm in households and need improvement of living conditions. It is clear that the events connected with the foreign aggression and afore-mentioned fall of rates of the growth of house fund in the following years sharply influenced the rise of this indicator. It is enough to say that people in need of dwellings only of one category, unknown in 1989, and the Garabagh invalids at present, are 13 thousands. Thus, total need in the construction of flats as minimum for 2,5 times exceeds the needs fixed by the official statistics.

The problem of development of house fund is aggravated by the fall of level of its stability defined by their being subjected to natural calamities of anthropogenic and natural character leading to catastrophic losses of house fund fit for living. Index of stability of dwelling according to the data of 1995 reached to 79,6 units.

The main volume of destruction of the house fund in the recent 10 years is on the account of the aggression of Armenia (95,8%). The total number of losses for the past period was about 153 thousand dwelling units. While 29,9 thousand of dwellings were lost in towns. Thus, this indicator for

town dwelling is 32,5 units. Total volume of living area as a result of the aggression of Armenia and occupation of 20% of the territory of Azerbaijan forms the quantity exceeding 9 million sq.m. The main share of destructions as a result of natural calamities is formed by submerged areas of coastal settlements caused by the raise of the level of the Caspian Sea, landslips and floods.

Today over 1,8 million people, or 24 % of population of the republic which unite 418,6 thousand families live in houses not subject to restoration, which have lost their qualities to meet the requirements of construction norms and rules of safety, are not reliable. These houses are mainly in the informal sector (built without any permission by citizens). Their total area exceeds 15 million sq.m. which is 16,8% of the existing house fund of the republic and 26,1% of the fund of housing units. Its liquidation and corresponding move of population to other places are carried out in quite small volume of 0,15% of its whole quantity.

A special anxiety is connected with the necessity of the solution of the problem of provision of normal and safe conditions for living, reconstruction of the first series of mass constructions of 50-ies, including panel buildings which have expired their constructive reliability and moral fitness. Their volume in the republic is 13,5% of the existing area of the house fund and 21,9% of flat fund.

According to expert estimations there are no less than 58- thousand houses constructed by the population without any permission regarded as "informal dwellings". They form about 4% of the existing fund of flats and houses in the republic. They occupy about 18 sq.km of the republic's towns. Spontaneity and chaotic nature of these constructions, rubbish and insanitariness of the territories, constructive instability, functional-planning inconformity of houses to living conditions of population in them turn these territories to sources of ecological danger in towns.

It is necessary to add to this the volume of amortization fund of house fund which in 1993 reached 2705,8 thousand sq.m which is 3,1% of the house fund. At the same time its restoration by capital repair which in 1993 reached to 1407,6 thousand sq.m forms only 1,6%, i.e., twice less than the annual demand.

Determining in the nature of quality of living conditions, adequate to existing standards of urban dwellings is the provision of the house fund by the infrastructure of engineering installations and other means of life support. Analysis of indicators of their development included, along with other key indicators established by the programme, a wider range of issues. They include data on sewage, water supply, heating, hot water supply, equipment of flats with tubs, telephones, etc.

In this case not only the general statistics of the house fund, flats, population but also real state and quality of supply were estimated. On this basis the indexation of the provision by infrastructure of engineering equipment of the house fund was carried out.

In accordance with the preliminary calculations the integrated index of engineering equipments of the house fund of towns of Azerbaijan is 0,510. It means that the level of completeness and conditions of supply of the house fund of the republic with the main infrastructures of the system of engineering installations do not exceed half of the standard and demands. Taking into account that 65, 1% of urban and 39,3% of total house fund of Azerbaijan is in 4 big cities which possess real necessary systems, the level of satisfaction of demand house fund of urban dwellings of the republic with complexes of necessary equipments is 18-20%.

Meantime, it is necessary to take into account that joining to existing nets does not mean that it has been provided with corresponding conveniences. The majority of systems of engineering equipments in towns are worn out and do not function. According to preliminary analysis only 52,1% of urban house fund has been joined to functioning systems of sewerage. The main part of it is house fund of Baku, Sumgayit and Mingachevir. In 30,5% small urban settlements the average level of provision of

the house fund with systems of sewerage forms only 16% of the house fund. Analogical is the situation of joining the house fund to the water supply system.

Only in 4 towns of the republic over 50% of the house fund has been joined to the system of heat supply. It forms only 38,5% of urban house fund of the republic which creates conditions to provide 27,7% of her population and 52,3% of urban inhabitants. The house fund of the towns of the republic does not practically have centralized hot water supply.

The level of gasification of houses in the republic was 88,5%, in towns 91,4%, of flats and 83,8% of houses in rurals have been joined to gas supply systems. 30% of networks function for over 20 years without capital repair and corresponding anti-corrosion protection. It serves as a reason for high losses in transportation and emergency in the nets.

Cost of construction unit of living area and its price fluctuate due to its type and contractors within \$US 296,5- 337,7 in average. In accordance with it and due to the location of it in the town the average cost of a dwelling unit is within \$ US 12520- 16450 in average.

The above shown state of socio-economic affairs make the construction of mass social dwellings unprofitable in these conditions.

CONDITIONS OF FINANCING HOUSE CONSTRUCTION

Capital investment to house construction has reduced 4,2 times since 1991 despite the change of their structures from 10,6% of budget contingency in 1989 to 41,5% in 1994. The sources of financing have also changed. Thus, if up to 1991 90% of finances were granted from the centre through state enterprises and organizations with the participation of 10 % of population, in 1994 contingency from the state budget formed 21% of capital investments to the construction of living houses while the specific weight of participation of population was reduced to 7% caused by low level of its payability. The contingency given by the state are mainly spent for building houses for refugees (about 150 thousand sq.m annually) and poor layers of society and invalids of war. Prevailing sources of financing of house construction in 1994 were foreign investments (72%). But their products can hardly be accessible for the majority of population of the republic, who are living beyond the poverty line, in particular, for less provided social strata - pensioners, invalids, women who are heads of families , victims of aggression, refugees, etc.

The scales of demand for house construction in conditions of the suffered economic depression, and deficit in the state budget require broad attraction of investments from the private sector, as well as from abroad, and also elaboration and pursuing of the policy of financial encouragement of the construction of social housing fund, application of long-term crediting, subsidizing, privileged taxation, mortgage and other economic mechanisms.

A serious reserve of solution of house problems and other problems caused by town-building connected with territorial resources of development of towns is the reconstruction and repair of the house fund.

INFRASTRUCTURE OF SOCIAL SERVICES

The infrastructure of social service in the republic was formed mainly during the Soviet period. Its specificity was the system of free education subsidized by the state which included compulsory education for 10 years, the system of free medical care in all levels, including long-term treatment in

the stationaries, and the system of social provision,built in accordance with the concept of 'the state of common welfare'.

Years and stages of period	To 1000 person at the age above 15			Rates of average annual growth		
	1979	1989	1995	79-89	89-95	70-95
	thousand person			%		
Population at the age above 15	770	878	886	1,43	0,18	0,94
with higher and secondary education including:						
complete higher	77	105	114	3,52	1,65	2,65
incomplete higher	24	20	18	-2,00	-2,05	-1,90
secondary special	96	144	144	4,62	0	2,73
secondary general	304	417	424	5,57	0,33	2,24
incomplete secondary	269	192	186	-3,67	-0,65	-2,42

At present there are 22 higher schools,72 colleges, 162 vocational technical schools and 4502 schools of general education in the republic. There are 156 thousand teachers who teach 1486 thousand pupils at schools. Over 70 thousand apprentices get vocational training at secondary special educational institutions. Today 86% of all who are employed in economy are people with higher, secondary or incomplete secondary educations. Higher educational institutions of the republic train 110 thousand young people in 140 specialities.

In conditions of considerable fall of life level young people and children are obliged to begin to work as soon as possible in order to earn for living subsistence of their families. The growth of population is not accompanied by increase of the number of pupils. The most complicated problem of education is the necessity of fundamental reforms in education system, including the problem of preparing personnel for new conditions of world standards. The most complicated problems in education at present is systematic malnutrition of pupils, lack of necessary means to organize feeding of children in kindergartens and nurseries, lack of text-books and other things, extremely low level of wages of teachers, etc. are the factors which need to be taken urgent measures.

There are 150 museums and picture galleries, over 4872 mass libraries, 25 national theatres, a philharmony, 3842 clubs and hundreds of other cultural enterprises functioning in Azerbaijan. Prognised by the experts, in forthcoming decade the art boom has quite a real basis in Azerbaijan, the tendency of denationalization of financing art, forming different funds for the support of young talents and creative intelligentsia, alongside with the departure of "stars" on long-term contracts to foreign countries.

The infrastructure of health service includes 760 hospitals, 1749 ambulatories and polyclinics, 2288 obstetric-medical posts, 966 consultation posts for women and polyclinics for children. Total capacity of hospital network is 74,4 thousand patient beds in the period of 1976-1993 the network of medical enterprises increased for 36 units, their capacities grew to 21,1 thousand patient beds.

Thus, the average annual rate of growth of capacity of medical enterprises was 1,91%. Though according to official statistics 100,3 persons fall to 1 bed a year, lack of means and drugs, high prices of medical preparations and other factors exert influence on the reduction of appeals of patients to medical enterprises to the detriment of their healths of majority of population of the republic who are beyond the poverty line.

Analysis of dynamics of development of infrastructure of social service of population revealed the tendency of sharp fall of rates of its growth. Annual average putting schools into function has fallen from 8,75% in the stage of 1976 - 1989 to -22,5% in the stage of 1990- 1994. The rates of growth of hospital beds were 12,23% and -37,8% respectively. In 1994 for 34,4 times less seats for pupils and 6,2 times less hospital beds were given to exploitation in comparison with 1990. The situation has been aggravated by the loss suffered by the enterprises of social service and health of population as a result of the aggression of Armenia, including the loss of 616 secondary schools for 117 thousand pupils, 242 pre-school enterprises for 12 thousand children, 4 colleges for 21 thousand pupils, 34 out-of-school educational enterprises, 1 filial of a higher school, 397 hospitals, 10 polyclinics, 10 maternity houses, 76 chemist shops, 4 sanatoriums, 10 mosques and others. Many enterprises of culture and art, including 368 clubs, 927 libraries, 85 music schools, 22 museums, 4 picture galleries, 10 parks of culture and recreation, 6 national theatres and concert organizations suffered losses. The aggressors have stolen 40 thousand museum values and exhibits. In plundered and burnt libraries 4,6 million volumes of books and valuable manuscripts have been ruined.

In condition of transition period Azerbaijan tries to form new concept of social service, to reconsider the existing practice putting the whole burden of social problems on the shoulder of the state, studying the possibilities of cooperation of state funds with private ones for programme development, corresponding to the capabilities and demands of an individual. The basis of formation of these programmes is gradual transition from command of state to the command of a person:

- from national dwelling to private ownership;
- from national medical care to private programmes;
- from national provision to employment provision;
- from collectivism to individualism;
- from national companies to property of labour team and various forms of private ownership;
- from national programme of social insurance to the system of private insurance and investment.

INFRASTRUCTURE OF LIFE SUPPORT AND WELFARE

In the period of 1976- 1995 the objects of water supply were built in more than 23 towns of the republic. Their total capacity exceeds 65 thousand cub.m /a day. As a result 95,7% of towns, 83,3% of settlements of town-type and 11,5% of villages have been provided with water supply systems at present. But only in 7 towns (3,7% of total number of towns of the republic) the index of water pumping exceeds the limit of 50% of demand according to the standards. Specific weight of use of drinking water in the republic is 166,1 litre per head a day. In towns this indicator is about 225 litre/man/ day. Deficit of drinking water in towns is 69,8%.

At present the construction of systems of water supply has been practically stopped. The majority of water supply objects have expired the term without their guarantee exploitation. The quality of the supplied drinking water does not meet the international standards.

In this connection a serious problem is the problem of creation and introduction of new technologies and water purifying constructions. At present surface waters form 300 thousand tonns of atmospheric precipitations a year and are treated for use, but they are not wholly used, part of them is returned to water basins. As a result of it, the content of ammomium nitrogen in water basins is higher for 2-3

times, zinc for 10 times, oil products for 8 times, copper for 5-12 times, phenols for 4-20 times above the norm.

Unsatisfactory state of nets of water supply which have expired the terms of their exploitation without a certain repair has resulted in high level loss of water in networks (about 50% of the supplied water) and in changes in the hydrogeological regime of the territory. Because of the raise of the level of subsoil waters grows the danger of development of eczogenic and erosion processes, which lead to destruction of constructions and human losses.

21 towns have been provided with water treating constructions out of which 13 are functioning at present. But the capacity of none of them meets the demands. Moreover, only 6 of them have the system of biotreatment (3,2% of towns) among which only one is functioning. Untreated waste water in towns forms 65,0% of the total volume. Out of treated water only 44,9% undergoes biotreatment. Thus, total volume of waste water in towns in need of full treatment forms 84,3% of the existing runoff.

To supply the republic with water in conformity with the tendencies of her development in the perspective it is necessary to build over 30 thousand km of networks, 5 pumping stations, 10 thousand artesian wells, 150 thousand treatment constructions.

Energy supply of 27 towns and 3 settlements of town-type is below the norm (Baku, Ganja, Yevlakh, Lankaran and others). It is necessary to increase the capacities of main and auxiliary substations. The functioning substations are charged in the limits of 150-200% against 70% of norm.

The total length of gas transporting lines in the republic is 40 thousand kilometers out of which 4 thousand km are the main lines. The level of gasification of households in the republic was 88,5%, in towns 91,4% of flats and in villages 83,8% of houses have been linked to gas supply systems. 30% of networks have been working for over 20 years without capital repair and corresponding anti-corrosion protection. It serves the reason of high level of loss of gas in transportation and during emergencies in the networks.

Geolocation, developed system of transportation and resources of natural gas in the republic create a good potential for transforming Azerbaijan to a regional center of organization of its transit with due commercial profit.

During 1976-1975 448 boiler-houses were built in the republic. The length of heat pipelines was in fact increased twice (from 460 to 854 km, Baku exclusive). But only 5% towns have central heating in the living houses. Great number of small boiler-rooms are ineffective and irrational because of their usefulness and ecological purity. The burners which are in exploitation at present do not provide the full combustion of the fuel which leads the pollution of the atmosphere.

The same harmful effect on the environment has the factor of undeveloped infrastructure of sanitary treatment of the territory. Despite the elaborated conceptions of solution of the problem, lack of finances do not permit building normal dumps and plants for processing and disharming domestic wastes, incinerators for burning rubbish. In this period the whole work consisted only of purchase of transport means to carry the waste. Nevertheless according to the available data of 1989, only in 11 towns of the republic (5,8 % of all urban habitations) more than half of their territories were provided by motor-mechanic collection of wastes. In conditions of the present economic crisis and depression, which deprives the authorities to renew the transport park and repair the existing ones, the indicators have quite worsened. The rubbish dumps and other places for domestic waste are not disharmed. The only waste processing plant in the republic stopped functioning in connection with economic difficulties and technological imperfection of equipments which do not provide its effective work.

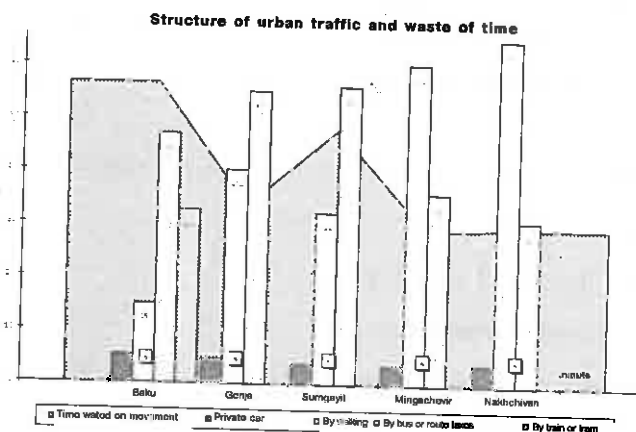
Organization of infrastructure of public transport is very acute in such big centers of urbanization as Baku, Ganja, Sumgayit, Mingachevir and Nakhchivan. In the rest of towns, which in majority are small, transport problems are connected with parameters of existing network of roads.

Graphic of use of transport means within towns

The main type of transport within towns for the majority of the inhabitants is the public passenger transport.

The stop of renewal of parks of public passenger transport which is and remains the main type of mass means to provide the activity of population in the frames of accessible waste of time in big towns of the republic has led to aggravation of its technical state and also of economic units which supply it, such as substations for tram and trolley bus lines, etc. As a result the number of mobile transport working in towns reduces, their technical states are alarming, people waste much time in waiting for transport, the working lines are overloaded. It all leads to reduction of the flow of passengers, unprofitableness, to wear and tear of the rest.

At present over 80% of trolley-bus lines in the above-mentioned towns and cities have become unfit for exploitation. Contact nets and roads of tram lines in Baku and Sumgayit have also become unfit for exploitation from technical point of view. Critical is the situation in the Baku subway the place of mass death of people as a result of terroristic actions and also because of technical reasons.



The state of road nets in all towns and settlements of the republic do not practically meet the requirements of present conditions of exploitation. Their planning do not meet the requirements of the growing intensity of traffic in towns. Lack of multi-level grade-crossing elimination structure, corresponding category of high speed highways in big towns, incompetent town-building solutions in planning in reorganization of territories, inability in solving the issue of parking of motortransport and others lead to overload of junctions, waste of fuel, increase of gas and noise in living quarters, growth of road accidents and, in the final account, increase of danger for the health of citizens.

ECOLOGY OF HABITATION

It is well known that steady development of human habitations is closely connected with the ecological state of nature. It has straight and return relations. Development of human habitations changes the surrounding natural situation creating new qualities of environment of habitation and

corresponding living conditions. In its turn, the natural environment exerts a great influence on living conditions and steady development of habitations.

The network of ecological monitoring in Azerbaijan has covered the atmosphere of 8 big towns (Baku, Ganja, Sumgayit, Mingachevir, Nakhchivan, Sheki, Ali-Bairamli, Lankaran), coastal waters and open aquatorium of the Caspian Sea (the mid and the southern parts), 53 water objects (37 rivers, 10 lakes, 6 artificial lakes), soil cover of 18 agrarian districts, 6 industrial centres, 25 regions with relatively less anthropogenic load, atmospheric precipitation in 20 settlements. Besides, in the system of monitoring of pollution of natural environment of, systematic observation is realized after the radioactivity of the air (in 43 settlements), atmospheric fall-outs (in 11 places), waters on land (the river Kur) and of the Caspian Sea.

The results of monitoring of pollution of natural environment witness the following situation. Stationary and mobile sources of pollution in the air basin of the republic in 1995 ejected into air 878,6 thousand harmful substances, including stiff dust, dioxide of sulphur, oxide of nitrogen, hydrocarbon, oxide of carbon, volatile organic matter. The most polluted are the atmosphere of polars of urbanization of the republic as Baku (623,9 thousand tonns), Sumgayit (40,2 thousand tonns), Mingachevir (26,7 thousand tonns), Ganja (4,8 thousand tonns), Ali-Bayramli (1,3 thousand tonns). Specific weight of ejections according to data of 1994-1995 to one unit of area was in Baku 280 t/km, Sumgayit 450t/km, Mingachevir 260 t/km, Ganja 48t/km, Ali-Bayramli 120t/km. Analysis of dynamics of indicators of pollution of the atmosphere witnesses that the technogenic influence of the afore-mentioned towns on the environment has declined from 12, 3% in Mingachevir and 60,3% in Baku to 150% in Sumgayit and 18 folds of decrease of ejections in Ganja. But it should be noted that this decline is due to perfection of technology of production and protective system, but in connection with the cease of production in industrial enterprises because of the suffered economic crisis.

Nevertheless, the level of pollution of atmosphere in these towns exceeds the limits of sanitary norms 3-8 times.

The main factors of pollution of atmosphere in the towns of the republic are:

- worn out equipments and technology;
- use of highly sulphur fuel instead of natural gas
- chronical violation of air-protection measures.

The main polluting elements of atmosphere are dust, soot, hydrocarbons, sulphur, chlorine, formaldehyde which form more than 90 % of all harmful ejections. The air basin of the republic is considerably polluted by ejections of enterprises of chemical, oil, metallurgical and ferrous metallurgy industries. From over 1000 stationary sources, which have been taken into account by statistics, over 60% of ejections that pollute the atmosphere bear organized nature, 40% of enterprises have been equipped with dust and gas treating installations. The degree of treatment of ejected matters in the republic is extremely low and forms 75%, and the degree of the treatment of liquid and gas wastes is quite low - 30%.

The air basin of the republic is mainly polluted by the enterprises of the State Company "Azerigas" (11,3%), SOCAR "Azerineft"(77,8%), enterprises of building materials (6,7%), the State Company "Azerenergy" (4,72%).

While 74% of ejected dust falls to the share of enterprises of building materials, 70,3% of sulphur anhydride and 38% of nitrogen oxides to the share of energetics, 80% of hydrocarbon to the share of SOCAR company "Azerineft".

Harmful matters from enterprises of state companies "Azerigas" and "Azerenergy" are ejected into atmosphere without any treatment.

314,427 thousand tons of harmful matters have been trapped and out of which 284,574 thousand tons have been utilized each year.

One of the main sources of pollution of air in towns of Azerbaijan is motor - transport. The main reasons are the incomformity of spatial planning parameters of road and street network of towns to the growing capacity of transport floods and intensity of traffic which create endless jams limiting the speed of movement, idle work of engines waiting before the traffic lights, unsatisfactory technical state of motor - transport and low quality of fuel.

Pollution of air in towns of Azerbaijan on the account of motor transport forms 26,51% of the total ejection, including carbon 92,7%, nitrogen oxides 46,11%, hydrocarbon 5,92%. Despite the undertaken measures the volume of pollution by motor - transport does not decrease, but increases each year: thus for 10 years the share of ejections has grown to 40% of the total volume of ejections.

**Concentration of harmful matters in the atmosphere of big towns of Azerbaijan
(excluding Admissible Concentration Limit (ACL))**

Towns	Matters	1981	1985	1988	1989	1990	1991	1992	1993	1994
Baku	Benzopyrene	-	-	2,1	1,4	1,0	0,8	0,5	n/d	n/d
	Formaldehyde	-	-	3,0	3,0	3,3	3,3	3,0	2,7	1,7
	Deoxide nitrogen	2,5	1,5	1,8	1,5	2,0	2,4	2,0	2,0	1,7
	Soot	2,0	2,8	2,6	2,2	2,2	2,8	2,8	1,4	-
	Deoxide Sulphur	-	-	-	-	-	1,0	1,2	1,0	1,1
Sumgayit	Benzopyrene	-	-	0,2	0,7	2,2	3,8	5,1	n/d	n/d
	Deoxide nitrogen	1,0	2,0	1,85	1,75	2,0	2,0	1,8	2,2	2,0
	Chlorine	1,3	1,0	1,3	1,3	1,7	1,7	2,0	1,0	1,7
	Hydrogen flouride	-	2,4	2,6	2,6	2,4	2,2	1,8	1,6	1,8
	Dust	-	-	-	-	-	1,3	1,0	1,3	1,3
Ganja	Benzopyrene	-	-	2,0	2,4	1,0	0,2	1,8	n/d	n/d
	Deoxide nitrogen	1,0	0,75	1,0	1,0	1,2	1,8	2,0	1,2	1,0
	Deoxide sulphur	-	-	-	-	-	1,4	1,6	1,3	-
Mingachevir	Benzopyrene	-	-	-	1,8	2,5	2,5	0,8	n/d	n/d
	Phenol	-	-	1,3	1,7	1,3	1,3	1,0	1,3	2,0
	Deoxide nitrogen	1,0	0,5	1,0	0,75	0,8	1,0	1,0	1,0	1,2
	Oxide carbon	-	-	-	-	-	-	-	1,0	1,3
	Dust	-	-	-	-	-	2,0	1,1	1,3	2,0

Note: n/d = No data; - = Admissible Concentration Limit (ACL) is absent

Ecological situation is the worst, particularly in big places of habitation of population headed by Baku and Sumgayit in Apsheron city agglomeration.

ONLAND WATER RESOURCES

Among the factors globally affecting the state of ecology of habitations not only in Azerbaijan and the Caspian region, but the whole territory of Euroasian continent is the Caspian Sea.

**Total ejections of motor transport polluting the air for 5 years
in main industrial centres of the republic (in thousand tonns)**

Towns	1991	1992	1993	1994	1995
Baku	217,3	198,5	258,9	246,6	267,2
Sumgayit	18,6	27,6	16,0	20,8	28,3
Ganja	28,1	18,4	35,1	32,6	37,4
Mingachevir	11,8	11,2	9,1	6,4	9,2
Ali-Bairamli	7,8	7,8	8,3	9,2	9,9

The Caspian Sea is the largest lake in the world with water surface area over 400 thousand sq.km and a uniquely stagnant water basin located on the joint of Europe and Asia which extends in the meridial direction over 1200 km. The Caspian Sea is of great human value and property of the whole world. Its volume is estimated about 80 thousand km which forms about 40% of total reserves of lake water of the world.

The length of the coastal line of the Caspian Sea is 6400 km, over 800 km of it from the river Samur of Daghestan in Russia to the river Astarachai(in the border of the Islamic Republic of Iran) -falls to the share of Azerbaijan. The water borders of the republic have not yet been defined and the same can be said about the status of this water area.

The Caspian lake is a natural water basin for pisciculture distinguished extremely by rare sorts of commercial fish. It produces more than 95% of sturgeon of the world and 98% black caviar. In 1930-1935 the Caspian Sea produced over 6 million centners of food fish in which the share of sturgeon, salmon, big fish caught by large nets was 1,75 million centners, herrings-1,3 million centners, Caspian roach- 265 million centners, sprats-0,34 million centners. In 1991 the Caspian produced 4,05 million centners of fish, including sturgeon-10,06 thousand tonns, salmon-0,02 thousand tonns, big fish caught by large nets-11,3 thousand tonns, herring -1,51 thousand tonns, sprats - 365,16 thousand tonns. In the following years production of fish began to decline in average for 10%. As it is seen, the sort composition of commercial fish has undergone sharp changes: the production of sprats has increased, while that of valuable fish declined for 9-10 times.

Systematic examination of water taken from different parts of the sea witnesses of its pollution with phenol, oil products, synthetic matters active on the surface, etc. It is necessary to note that the Caspian Sea annually receives 12,0 billion cubic m polluted waste water, 95% of which through the Volga.

As a result of measures undertaken by Azerbaijan, the project capacity of water purification constructions in the republic formed 1,28 million m³ a day, capacity of the system of turn-over and repeated successive water supply has reached 4,46 million m³ a day. At first sight the undertaken measures enabled to reduce the negative effect on the ecology of the Caspian Sea, to reduce the flow of waste water for more than half of a million of cubic m a day. But the undertaken measures did not take into account the increase of volume of waste water and became extremely insufficient. Today Azerbaijan throws into the sea about 0,3 billion cubic m strongly polluted waste water and over 0,3 billion cubic m of waste water purified in accordance with the norm, as a result of which the Caspian Sea receives over 4000 tonns of oil products, 28000 tonns of weighted matters, 500-550 thousand

tonns of dry residues, 74 thousand tonns of sulphate, 150 thousand tonns of chlorides, 300 thousand tonns of synthefic matters, 5 tonns of phenol and other matters which damage the ecosystems.

In the Azerbaijan water area there are 6 oil and gas extracting companies, 7 drilling subcompanies having over 2000 wells of oil and gas, over 400 stationary foundations, over 1,5 thousand km undertrestle oil and gas transporting lines, about 600 ships for various purposes in their balance which also affect the ecosystem. Alarming is the disfunctioning wells and ships which are dangerous as repeated sources of pollution (about 300 hydrotechnical constructions and 78 ships have been excluded from exploitation and are in submerged or semi-submerged state now).

Within the Republic of Azerbaijan the most polluted regions are the coastal area of Sumgayit, archipelago of Apsheron and area where the Kur joins the Caspian Sea, where the concentration of polluting matters exceed the norm in 3-9 times.

One of the main sources of pollution of water resources among the microregions of the republic is the Apsheron urban agglomeration headed by Baku and Sumgayit.

With the waste waters of these cities about 3,0 thousand tonns of oil products, 20 thousand tonns of highly inflamable components and 20 thousand tonns of weighted matters, 300 thousand tonns of phosphorus, 2,0 thousand tonns of netrogen, 4000 tonns of phenol, 150000 tonns of chlorides, 154000 synthetic matters, 150 tonns of nitrogen-ammonium, 270 tonns of fats and oil, 4 tonns of iron and others flow to the Caspian Sea annually.

The republic's water resources are very limited. Calculations show that the aggregate transit and her own flow of rivers of Azerbaijan on average water year (50% of suppliability) is 29,7 billion cubic m, in moderate and dry years (75 and 95% suppliability) they fall to 25, 5 and 20,7 billion cubic m. While only 30% of reserves of flow is formed within the republic and due to water content of the year it is estimated within the limits of 9,2; 7,3; 5,4 billion cubic m.

According to the volume of her own water resources from the account per head Azerbaijan occupies the last place among her neighbours.

Total deficit of water in agriculture in average in the republic annually is 3,7 cub.km, in dry years-4,75 cub.km. The main water resources are transborder rivers - the Kur and Araz. Over 74% of water balance of the river Kur is formed beyond the republic and its ecological purity depends on Armenia and Georgia through which the river runs and is filled by inflows. In average over 3,0 billion cub. m of domestic and industrial waste water of big industrial centers as Tbilisi, Rustavi, Gardabani is thrown in the Kur a year. Average annual pollution of water in the Kur in the border region Shikhli of the Gazakh district of Azerbaijan according to its ingredients exceeds the norm for several times.

It is necessary to note that insufficient treating constructions and improper state of the existing ones in Georgia and Azerbaijan increase the technogenic influence on the state of water resources. From the territories of the bordering republics about 200000 cub.m polluted water flows to the Kur and its inflows each day. The right influx of the Kur, the river Agstafa, which flows from Armenia, is greatly polluted by dyes, oil products, phenol, ammonium nitrogen and other polluting matters flowing to the river through waste water of Ijivan, Dilijan and other towns of Armenia over 1 million cub.m a year. The rivers Alazan and Iori, the left inflows of the Kur, are polluted in the territory of Georgia and enter Azerbaijan with nitrogen, nitrates exceeding the sanitary norms for 4 times, oil products for 2-6 times, copper and phenol for 20 times. The water of the Araz is polluted even more. Its left influxes-the rivers Razdan, Arpachai, Okhchuchai and others bring with their water oil, phenol, ammonium and nitrate nitrogen, heavy metal in concentrations exceeding the sanitary norms for tens of times. The water of Okhchuchai is polluted in particular, to which enters the waste water of Kajaran mine-enriching and Kafan copper ore plants, the volume of which is over 150 million cub.m a year. In the period of outburst of effluents the water in the river turns nearly to dark sludge flow.

The water coming to Azerbaijan by rivers from abroad contains polluting matters which exceed the sanitary norms for 5- 12 times.

As a result of the use of this water for irrigation and domestic needs the soils have been polluted with copper, and malybdenum which decreases the productivity of agricultural plants and animals, affects the development of young animals and leads to various pathogenic changes and diseases. Besides, over 40000 ha of soil in lowlands is salty, the reason being the use of highly mineralized and polluted water.

The state of soils

The role of anthropogenic factors in violation of soil cover is extremely great. One of them is the chemical pollution connected with the use of mineral fertilizers and toxic chemicals. As a whole the republic cultivates over 840 thousand ha of land with toxic chemicals including about 400000 hectares with herbicides. The most ecotoxic region is the south-eastern part of lowlands of the Kur-Araz (the Mugan-Salyan massive where the content of toxic chemicals in the soil is 0,94 mg/ kg according to the data of 1991, the DDT exceeds the accessible concentration for 9 times). Reduction of the use of fertilizers and toxic chemicals for 10 times will enable the decrease of pollution of soils in agricultural regions. Quite dangerous for soil and landscape is the entry of toxic chemicals with heavy metals, their accumulation in the soil causes irreversible changes.

As a result of intensive engineering-economic and townbuilding activities there is a tendency of annual growth of technogenically violated, polluted and cluttered lands, the area of which is over 20000 hectares, including 12000 hectares polluted with oil, over 100 hectares polluted with wastes of chemical industry, 5,6 thousand hectares dumped along canals, 1,6000 hectares with open cuts. Annual economic damage from the pollution of stiff domestic waste is about \$ US 34 million.

The lands of intensive cultivation and which are around the industrial centers are the most polluted in the republic. From 40 to 100% of arable lands under cotton and vineyards have been polluted with nitrates and pesticides. The soils of industrial centres have been polluted with oil products and heavy metals, their share in the content of the soil exceeds the sanitary norm for 6-15 times.

In various periods of the Soviet rule programmes of recultivation of lands were elaborated, but the lack of finance and flexible structures for their realization prevented their realization.

Industrial and domestic wastes

In the course of many years the problem of utilization of industrial, including toxic wastes has not been paid due attention. As a result, in 137 enterprises 85.000 tonnes of toxic wastes have been accumulated in the territory of the republic and 46.000 tonnes received from other enterprises, out of which 2,1000 tonnes (2,4% have been utilized and disharmed and 228000 tonnes (25,4%) given to other enterprises for storing, liquitation and processing. 52000 tonnes (5,9%) have been sent to onland organized stores and 595000 tonnes, or two-third of newly accumulated wastes have been sent to unogamized stores and testing grounds of stiff domestic wastes not ready for their storing and not meeting the requirements of sanitary norms. Over 205.000 tonnes of toxic wastes are in unorganized stores (dumps, sludge settlers, testing grounds, pits and others). The issue of construction of testing grounds for utilization of industrial wastes, including toxic ones, has not been solved yet.

Radioactive situation

The radiation situation of habitations is mainly affected by ejections to atmosphere, flow of waste and layer water of oil deposits. As a whole, the radiation background in the republic is within the limits of the norm and fluctuates from 3 mcr/hour on the coast of the Caspian Sea to 9 mcr/hour in zones of tectonic violations. But there are also polluted areas where radioactivity reaches to 500-600 mcr/hour. This radioactivity areas are in oil extracted territories and connected with oil output. The polluted spots and whole areas up to 200 m are observed. Pollution is mainly the result of radiomed water of natural origin in layer waters and extracted together with oil. Radio elements are accumulated in the soil by wells, oil pipelines and other elements of oil industry close to oil and layer water. It is necessary to note that the republic has a burial for radioactive wastes belonging to the industrial amalgamation "Izotop", but being built in 60s it is full to the edge now and presents a real radiation danger in the republic because of its technical state. "Izotop" does not possess specialized equipments for collection of radioactive wastes and also for utilization of these wastes which practically excludes the possibility of performance of deactivization work in places of radioactive pollution. This problem causes serious alarm in connection with the reactivation of the Metzamor Atom Electric Station in Armenia in 1995. It was put dead in 1989 as not meeting the requirements of security. Built on the geological fracture (which forbids the construction of such objects) the AES was counted on 7 score seismicity, while this region is referred to 10 score seismicity zone. Besides, in years which it did not work its equipments became old morally and technically and the personnel lost their qualifications and left Armenia.

Lack of its own capacities for processing and burial of radioactive wastes incomformity with the requirements of security, possibility of a new earthquake, AES endangers practically the whole territory of Azerbaijan with radioactive pollution, as the ejections to the atmosphere and water area will mainly spread to the territory of Azerbaijan because of orography of the minor Caucasus.

Increase of anthropogenic load

At present the anthropogenic load of a number of natural resources has sharply increased in connection with the arrival of over a million of refugees from Armenia and the occupied territories. Because of the so-called "refugee camps" in districts of Barda, Agdara, Goranboy where about 200.000 people live at present, large territories have been polluted, the vegetation cover of soil has been destroyed, as the camps lack elementary communal conveniences (water supply lines, sewerage and others). Heavy is the load of creational resources of the republic connected with over a million of refugees.

The necessity to accommodate such a number of people, the administration of the republic was forced to distribute them among the recreational, touristic and medical enterprises. It led to anthropogenic load of recreational zones for hundreds of times.

The Gabala Radiolocation station (RLS) of the Ministry of Defence of the Russian Federation

The Gabala RLS is the object of early detection of anti-rocket system of the former USSR Ministry of Defence. The radius of activity of RLS covers the territory of the Middle East and the water area of the Pasific Ocean. RLS works in the impulse regime in microwave diapason which negatively affects the natural environment of Azerbaijan. The investigations of the Parliament of 1992-1993 revealed that radiation affects the health of population in Gabala, leads to degradation of fauna and flora,

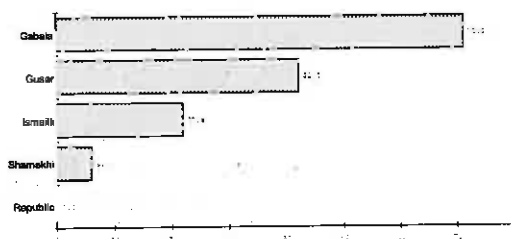
destroys the humus layer and increases the mutation of cells as a result of which increase of infant mortality and genetic diseases decrease of fecundation among women and animals are observed.

Infant mortality (under 1 year) per 1000 borns in adjoining districts

		Gusar	Ismaili	Gabala	Shamakhi	Republic
Years of the period	1991	36,8	17,9	34,3	21,8	25,3
	1992	14,6	18,6	46,5	21,7	25,5
	1993	63,1	24,4	60,0	22,2	28,2
	1994	52,3	22,3	58,7	23,1	25,2
Amplitude of changes %		42,1	21,0	71,1	6,0	0,0

The data in the afore-given table enable to define the irrefutable fact that RLS in Gabala greatly affected the infant mortality in comparison with the average indicators in the territory of the republic as a whole and in the adjoining districts beyond the activity zone of RLS.

Comparative amplitude of changes of the level of infant mortality in the district of Gabala



The commission of the Parliament on the basis of investigations came to such a conclusion that the further work of RLS in the same regime is inadmissible and proposed a number of measures to reduce its negative effect, and also compensational measures to pay back for harm and damages done to the health of population and environment in the republic.

Besides, being an object of the system of anti-rocket defence, the activity of RLS violates the sovereignty of the republic, as a non-nuclear state increases the danger of becoming a target for attack, because RLS is in the number of objects to be attacked first. The functioning of this RLS till the final solution of the issue by the administration of the republic should be allowed on conditions of corresponding compensations for the created by it danger of provocation of nuclear attack.

The Gabala RLS is the source of danger for steady development of adjoining habitations, it turns them to hostages of the interests of foreign military forces and expose the population to mass abolition and also the genetic fund and biogeocoenose of the environment.

EXOGENIC PROCESSES OF INFLUENCE ON THE DEVELOPMENT OF HABITATION

Ecological stability of habitations, along with considered in the previous chapter influence on results of human activities to transform the natural environment, are determined by the reverse influence of natural factors on the processes of development and activities of man.

The importance of this factor in the development of habitations and creation of safe conditions for the life of population is difficult to estimate. According to preliminary estimations 12,9% of the territory of the republic and 5,8% of urban habitations are in the area of spread of exogenic geological processes.

The results of long investigations show that there are over 70% calamities of nature are of meteorological, hydrological origin and connected with the catastrophic rise of the level of the Caspian Sea. The main factors of influence of exogenic natural processes on development of human habitations in conditions of Azerbaijan are:

- fluctuation of the level of the Caspian Sea;
- development of erosive processes;
- seismic activity of the territory.

Being a country of the Caspian basin with coastline of 800 km in length Azerbaijan has no natural protection from the rise of water level in 90% along the coastal line. For 17 years the level of water has risen from 28,8 m to 26,5 m, i.e., for 2,3 m. As a result, over 700 km of coastal territories have remained under water, including 50 habitations, 250 industrial enterprises, 20 km of railway, 60 km of motor-way, 10 000 hectares of irrigated lands, over 35,5 thousand hectares of arable lands and recreation objects.

Catastrophic is the state of many habitations of districts of Neftchala, Lankaran and Astara. At present over thousand houses and private farms have submerged and need urgent move to new places.

Long-term forecasts of many authors show that the level of the Caspian will continue rising: by 2000 to 50-70 cm, by 2030 to 120-150 cm from the level of 1995. Estimations show that if the level of water rises for 150 cm (-25 m) additionally about 900 km of coastal line will occur under water.

Taking into account the tendency of the rise of the level of the sea by 2010 in the forecasted zone under water will occur another 7 towns, 35 rural habitations, over 120 agricultural objects, recreation, storing and other installations.

The Apsheron Peninsula and the southern regions of the republic from the mouth of the river Kur to the town of Astara will greatly suffer from the submerge. It means that the most densely populated microregions of the republic will occur under the blow of calamity.

The rise of the level of the sea has already destroyed the economy of Azerbaijan which can be estimated for \$ USA 12,2 billion.

Erosion of soil and territories

Azerbaijan possesses limited soil resources. Taking into account the factual urbanization of the territory of the republic, about 75% of her population somehow tie their existence with the agrarian exploitation of lands, 0,2 hectare of arable land and 0,6 hectare of agriculturally useful land fall per head of population. The specific weight of pastures is the highest, it is 51,6% of all lands, arable lands-30,2%, lands under perennial plants-12,8%. Lands under hay and long fallows occupy 5,4% of all lands. About one-third of land fund of the republic is unfit for agricultural purposes. The irrigated land fund is 1350 thousand hectares, including arable lands -950 thousand hectares.

These indicators show how important is the preservation and rational use of land resources of Azerbaijan for providing the existence of her population .

About 1,7 million hectares of land is unfit for cultivation because of its salinity and 29,4 thousand hectares have turned to swamps. The lands of the republic greatly suffer from the development of erosion which occupies 3,7 million hectares.

The widely spread type of erosion is water erosion presented in flat, ravine and irrigated forms. Flat wash mainly develops in inclined lands where the wash varies from 105 to 516 m /hectares a year. Windy erosion in the republic develops mainly in the coastal areas of Apsheron, in the south-east of Shirvan and Jeyranchol and others.

Economic damage from erosion is about \$ USA 5,0 billion

Table of eroded lands in the districts of Azerbaijan

Economic districts	Total area, in 1000 hec.	Eroded, in 1000 hec	%
Apsheron	323,13	87,0	26,9
Guba-Khachmas	804,85	510,4	63,4
Shirvan	879,38	305,0	34,7
Shaki-Zagatala	1041,4	497,0	47,7
Ganja-Gazakh	1246,8	788,0	63,0
Mil-Garabagh	284,9	29,5	10,3
Mugan-Salyan	171,6	63,8	37,0
Lankaran	636,3	204,2	32,0
Along the river Araz	316,6	206,5	65,0
Upper Garabagh	497,9	279,8	56,0
Gubatli-Kalbajar	370,5	312,2	84,2
Nakhchivan	536,3	401,6	75,0
Total	8641,7	3685,0	42,5

Flood and slip processes have also acquired a significant development which form 310 km and 420 km respectively. Slips and floods damage over 1,5 million cubic metres of fertile layer each year harming not only land resources, but also the economic objects. Thus, as a result of floods in the area of Davachi-Siyazan in 1995, 285 living houses were damaged which need \$ USA 2,9 million for the restoration.

The main flooded zones in Azerbaijan are the regions of the Major (Shaki-Zagatala, Shamakhi-Ismaili) and Minor (Gubatli, the Nakhchivan Autonomous Republic) Caucasus. Total area of flooded basins in the whole republic is about 11 thousand sq. km. 30-35% of territory of flooded basins is in the Nakhchivan Autonomous Republic.

36,3% of railway and 38% of motor-ways lie through the flooded areas. As a result of floods in 1957-1960 1400 km of motor-way was destroyed. In 1974 the floods damaged the rail way tunnel in Ordubad of the Nakhchivan Autonomous Republic. In 1981 it destroyed in Shamakhi about 14 km of motor-way Baku-Shamakhi, and in the Guba-Khachmaz zone about 80 km of asphalted roads.

Seismicity

The territory of Azerbaijan refers to the category of regions with highly geotectonic activity. The most of the populated area is in the zone of seismic danger where it reaches the level of 8-9 scores. In the last years the seismic stations of the republic registered from 600 to 1000 earthquakes. As a result of

only one earthquake in 1981 in the Ismaili district suffered damages over 2000 houses, 4 schools for 1700 pupils, 25 objects of everyday services, agricultural and other economic enterprises.

The most geotectonic areas are the districts of Shamakhi-Ismaili, Kalbajar, Sabirabad, Oguz-Gabala, Zagatala, the north of Apsheron and the south of Talish of the republic.

After the known earthquake in Armenia in 1988 it became clear that it is necessary to raise the seismicity of construction for 1 score. In these circumstances a considerable part of constructions in the republic, living houses in the first place, do not satisfy the requirements of safety in extremal situations according to adopted requirements distinguished by high mobility in calculations.

Thus, in zones of seismicity of the republic 3,2 % of her population live in houses with less safety.

RECREATIONAL CONDITIONS AND POTENTIAL

Infrastructure of the recreation system of the republic, as a target of townbuilding, has been represented by various types of formations with limited regime of anthropogenic use. To the first type belong preserves and temporary preserves, national parks, protected landscapes, etc. To the second refer sanatory - recreation, tourist systems, formations and complexes, zones of long, or short term mass recreation (beaches, camping, motels, cottages, etc.) There are 12 natural and historico-cultural preserves, 17 temporary preserves, various hunting plots with area 191,2 thousand hectares (2,2% of the republic's territory) in Azerbaijan. The possibility of widening of 5 existing preserves and creation of 4 national parks has been considered at different times. The designs proposed the formation of 6 microregional systems of recreational assimilation of the territory. There have been proposals for rational use of resources of natural environment with the account admissible anthropogenic load on landscapes and creation of a new industry of recreation and treatment able to pay back all expenses in the shortest time, for turning them into a real source of income and currency entries. The structure, place, scales and conditions of development and location not only of complexes for patients and tourists, but the development of all the aggregate auxiliary service and other necessary infrastructures national parks, souvenir production and local industry, system of cultural-daily and commercial services, restoration of monuments of history, training of necessary staff, the system of transport and engineering installations and others were defined. The example of many countries of the world, who have the recreation industry as the only source of incomes, witnesses that there are great opportunities for providing the economic flourishing of the republic. It would have been a significant addition and assistance to the potential of Azerbaijan in gaining the rise of welfare of her citizens along with the development of traditional branches of oil output and refining, and also the agriculture.

It is sufficient to note that only on the coast of the Caspian Sea there are three sanatory-recreation microregions (Guba-Khachmas, Apsheron and Lankaran) which may enable organization of treatment and mass recreation of about 200 000 people simultaneously. For comparison it is necessary to note that at present in this territory there is a network with the capacity for only 41,8 thousand people, or 12,8 beds to 1000 people which is below the average indicators in the Transcaucasus (20,7 beds to 1000 people) and the standards. These microregional systems locate the most complete combination of various types and forms of recreational activities, beginning from bathing in the sea, to mountaineering and skiing, in aggregate comprising the whole complex of recreation activities within a two-hour transport distance in the cycle of "week end" and a month of holiday. In these microregions there are 12 sanatory and tourist recreation regions where it is possible to rest and get stationary medical treatment, counted to permanent regime of exploitation of resources and stay. There are 34 centers of regular service each with a prevailing recreation activity in the territory.

buildings develop, violating the exploitation terms of adjoining territories and the quality of living environment in them. Besides, the inhabitants of major and more-urbanized agglomerations turn out to be practically devoid of rehabilitation conditions of their bio-potential, as the cut-down and limited resources of recreational territories of Apsheron, situated within one-hour transport access, are unable to accommodate those in need of a short rest.

Thus, over 87% of the city families, beyond the povertyline, and 10% of them, having incomes on the level of survival cannot allow themselves luxury of even momentary change of stress-situation of high-urbanization environment for free-contract with nature.

It is suffice to note that according to estimations of different state institutions, the level of crime in the city, which is fluctuating between 2,73-3,5 of the registered crimes per 1000 men, exceeds 4 times the average republican data. And the number of thefts in the capital (1.05-1.36) exceeds 1,8 times the corresponding average republican index, while the quota of murder is practically not distinguished in the total number of crimes. Totally more than 11 times excess of the theft quota over the murder says of the fact that crimes connected with property prevail, which is caused by the poor economic state of the society and the level of its existence.

The similar situation acquires a particular importance in the Apsheron agglomeration where the number of population exceeds 2 million. It cannot but influence the state of demographic development and conditions of reproductiveness of population.

The correlation of genders in the demographic structure of the population is 48,2% men and 51,8% women. The rate of average annual increase of population in the period of 1976-1994 in the subway area was 1,03%. It says of low rate of increase of population of the capital compared to the republican population as a whole, and city-dwellers (more than 1,5 times). However, the formal statistics does not include the refugees and displaced persons who have found shelters in the territory of the city.

According to the data of January 1, 95, 1 468 000 migrants of this category are settled in Baku and 71000-in Sumgait. According to experts, estimation the number of informal displaced persons is not less than 38,5% of all migrants that have settled in the agglomeration territory. This is 14,6% of agglomeration population.

The irregularity of migration process results in overconcentration of population in cities, beyond the permitted limits of natural demographic capacity of the territory, thus aggravating the living conditions from surplus anthropogenic load in the territory and limiting the opportunities to solve the problems caused by them.

Among the most important of them is the state of providing the population with houses. The area of residential fund of the city exceeded 22,2 million square metres by 1994. Under the present economic crisis, which brings the main part of households to the state of struggle for survival, the minimal state of expenditure of the rent, which is not more than 6% of the average family income, provides a certain guarantee for the social support of the family, but dooms this branch of the city economy to an unprofitable one and chronic subsidy requirement.

The situation is aggravated with rapid fall of the scope of construction of living houses in the city. The average annual rate of fall of letting of houses to exploitation is 16,95% from 1989 to 1993 which practically resulted in complete stop of construction of living houses in 1995.

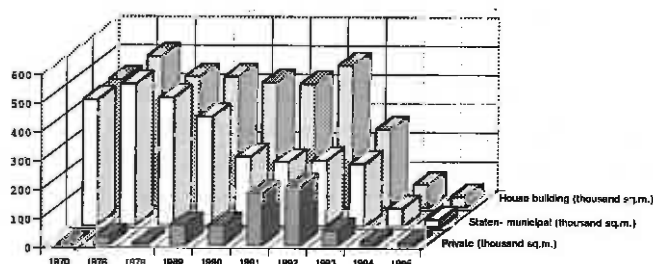
In the last stage of the analysed period, a tendency towards the change of correlation in forms of properties was observed even in the capital of the republic. Thus, by 1994, 5,95% living houses were privatized, which is 4,99% of the total of the living fund and 7,6% of social building fund in the city. The scope of the state construction in the city has been reduced for 9 times from 1992 to 1995. In

conditions of reduction of scopes of houses put into exploitation, the specific weight of private constructions has increased 10 times since 1976 (from 0,92% in 1976 to 9,0% in 1994).

Graphic of dynamics of houses let into exploitation annually

At present 60.6 thousand families, or more than 260 thousand persons are registered for getting houses in Baku. It is necessary to construct houses with a dwelling space of 4,3 million square metres in order to provide them with habitations. Although the dwelling fund of the city forms 30% of the republican fund, provision with dwelling space (12,7 square metres/per capita) exceeds the republican indices (12,3 square metres per capita), the data of the official statistics do not take into consideration more than 38,5 thousand illegally built houses which do not correspond to the living standards. More than 200 thousand persons, who are not formally registered as residents in the city, have found shelters in them.

Volume of house building in Baku



These buildings occupy more than 12 square kilometres of territory (5,6% of real city's area).

In addition to this, more than 22 thousand persons, live in officially registered ram-shackles and breakdown houses with total space over 283 thousand square metres, as well as 86,7 thousand persons-in houses of first mass series, including large-panel constructions, the exploitation and technical reliability of which have long been expired. More than one million square metres of living area (6,05% of dwelling space and 8,3% of housing fund) in this fund do not correspond to the modern functional-planning standards. As regards to results of inspection of correlation between the number of rooms in lodgings and the members of families in them, the total specific weight in need of normal living conditions in Baku is not less than 60% of families. This determines the necessity of reconstructing of more than 17% of the existing fund of apartments by creating a corresponding reserve fund in order to provide the citizens with temporary stage by stage movement.

The analysis of amenities and conveniences dwelling-fund testifies that 94,9% of its formal scope is connected with systems of water supply, 79,3%-with sewerage system, 96,1%-with gas supply network, 61,6%-with the heating communications, 21,8%-with the sources of centralized hot water supply, 51,3% of houses are installed with telephones.

However, the real state of providing the population with necessary types of service is far from being satisfactory. Such as, the drinkable water shortage in Baku is 55,3%. The terms of exploitation of the water supply networks have expired without the necessary repair, thier bad condition is the cause of high level of water waste in the network (up to 50%) and correspondingly of low level water

consumption of population, fluctuating in different districts of city from 200 to 245 litres \d\m. The deficit of water supply made it necessary to distribute water to different districts of the city in turns, by forcing people to collect water and by increasing the irrationality of its use.

The high level of water waste in the network affects hydrogeological regime of the ground, causing the constructive unsteadiness of houses and buildings on landside slopes of the city with total space of more than 2 square kilometres.

The permanence of similar situation stipulates the tendency of 7,05% expansion of the territory, under exogenous processes at the speed of rates of average annual increase for the retro-period of 15 years. This danger is intensified in districts with unauthorized construction of territories, carried out on landsliding slopes without providing the territory with necessary infrastructure of sewerage and water supply, as well as special systems of engineering protection.

The quality of drinkable water, used by population of the city is not satisfactory.

The sewerage systems of Baku serves only 49,7% of requirements, as from the points of view of the capacity of existing cleaning constructions, as well as the technological correspondence to the quality standards. The construction of the complex of water treatment in the Baku agglomeration, started in 1972, has not been finished yet to now. Because of incompleteness of construction of lines of deep-water sea release of sewage water, the water escape is carried out directly in the coastal area of the city.

The lack of organization of escape of the sewage water in Baku, has lately led to the formation of numerous artificial lakes, swamping and flooding of areas. The situation in Baku is aggravated by the influence of Sumgait, which is in the same agglomeration. It is suffice to mention that at present 50% of the communal drainage of Sumgait flows to the Caspian Sea without being cleaned, spreads along the northern shore of Apsheron which is the only area of recreation for the residents of the Baku agglomeration.

The concentration of industry, transport and population of Baku and Sumgait in 2 largest centres of the republican urbanization in a comparatively small area of the peninsula, exerts analogical influence on air space of the Apsheron agglomeration.

Being situated at 30 km distance from the windwardside of Baku, the city of Sumgait influences not only the pollution of its own, but also of Baku.

About 800 thousand tons of harmful substances were released into the air-basin of the agglomeration from stationary and mobile sources in 1995.

According to the 1994-1995 data, the specific weight of wastes per unit of space was 280 tons/sq km - in Baku and 450 tons/sq km in Sumgait.

The analysis of dynamics of indices of air pollution testifies to a decrease in technogenic impact of these cities on the environment between 60,3 % in Baku to 150% in Sumgait. However, this reduction has a temporary nature, determined by the reduction of production scopes under the conditions of economic depression.

Moreover, the level of air pollution in these cities exceeds the limits of sanitary norms 3-8 times.

Annually from the stationary sources of industrial enterprises in Baku and Sumgait are ejected harmful substances of different danger into the atmosphere. Dust, carbon oxide, nitrogen oxide, ammonia, chlorine, hydrogen fluoride, solid fluorides, furfural, sulphuric acid have been registered in the air of Baku.

The average proportion of the sulphurous anhydride, oxides of nitrogen, soot, formaldehyde, mercury comprised 2-3 AQL.

The maximum proportion of harmful substances has reached 6,2 AQL for carbon oxide, 2,9 AQL - for nitrogen dioxide, 14,7 AQL - for soot, 4 AQL - for mercury, 3-2 AQL - for furfural, 1,6 AQL - for the dust.

Analysing the dynamics of wastes of harmful substances in atmosphere from stationary sources and auto-transport, it is possible to conclude that the tendency of increasing of wastes in Baku is growing every year. In contrast to reduction of the specific weight of wastes from stationary-industrial sources of pollution, the influence of auto-transport is rising.

Its share in total ejection of harmful substances into the city atmosphere is 43 %, including the carbon oxide-82,92%, nitrogen oxides 10,40%, hydrocarbons - 28,18%.

Consequently, the living conditions of citizens are aggravating not only because of ecological aggravation of the territory, but also because of provision of functional activities. Thus, the reduction of city's public transport, the main type of transport to provide the population's movement, in connection with the lack of financial resources to renew it, results in the increase of the population's non-productive waste of time to the limits of standards of transport availability. The indices of duration of journeys from home to work have increased in Baku 2.5-3 times in average.

The state of the system of sanitary cleaning and territorial pollution have a serious importance to provide with normal living conditions of population of the Baku agglomeration that creates the main steady development of the city.

The underdevelopment of the removal system of solid industrial and domestic wastes of the biggest city agglomerations is fraught with tragic consequences of ecological calamity.

The most catastrophic situation arose in Apsheron. More than 144 thousand tons of waste materials containing toxic substances as well, are annually being formed by industrial enterprises concentrated here.

The most serious question is the utilization of the waste materials containing toxic substances. In connection with the delay of constructing ground for industrial wastes, the city enterprises have to store them in their own territories or to dump them.

To such kind of enterprises belongs for example, "Khim-prom", in the territory of which there is a pile of 100 thousand tons of mercury containing sludge. The problem of constructing the ground for toxic wastes - sludge storage has not been solved in the Republic yet (mainly because of the lack of financial resources). That is why, there are more than 80 illegal dumping grounds with the total space of 300 hectares in the territory of Apsheron.

The solid domestic wastes in Baku are dumped without being utilized and decontaminated. In 1995 the experimental factory working out the solid every day wastes stopped functioning because of economic difficulties. Besides this, the lack of specialized containers for different types of garbage (glass, textile, paper, plastic, etc) leaves unsolved the problem of preliminary separation of the solid every - day wastes, without its solution it is impossible to solve the problem of industrial processing of the solid every-day wastes.

The unreasoned decisions of the government bodies also add to the pollution of the territory of Baku. Thus, as a result of town-planning mistakes in the organization of the city territory, its pollution with oil products comprises 20% of its area. It includes the coastal line with the width from 100 to 1000 metres, as well as the sites where the oil products are stored, gas fuelling stations, etc, the

concentration of phenol and other dangerous organic substances exceeds the permitted limits 3-5 times.

The pollution of the coastal area acquires a special meaning in connection with the rise of the Caspian level. More than 25 settlements turned out to be in the flooded area of the Apsheron agglomeration. The territories of 2 thermoelectric power stations, a number of ship-repair works of the "Azneftiyag" Concern, sea-port buildings of the Caspian steam-ship line, of the Hovsun fishing-port and tinned food factory, different works of the city industry and the unique city seaside Boulevard are directly under water in the city line. The flood of the coastal oil-industry territories are fraught with the catastrophe of ecological calamity, spread all over the Apsheron environment.

The fact of coming out of order of the industrial enterprises of the coastal area has increased the tension of social state of population who are devoid of the place to apply their labour and the only source of existence for their families.

The insufficient capacity of the system of the social services for the population is also among the factors of additional pressure on the state of the city's social infrastructure. Thus, the educational infrastructure of Baku experiences deficit in meeting the normative requirements of citizens in schools with total capacity of 25,4 thousand places; pre-school institutions for 93.6 thousand children. The completion of the construction of 5 schools and 4 pre-school institutions needs financial resources. The city's needs in the development of the medical service infrastructure are 5.9 thousand hospital beds and clinics, capable to provide 40.3 thousand visits per shift.

The state of infrastructure of the city's means of living depends to a certain extent on the effectiveness of the organization of management system and their co-ordination with the development in the territory of metropolity.

In fact, all the control levers of the infrastructure development are within the jurisdiction of the local executive power of the city.

The decentralization of management of the territorial development adopted in Azerbaijan, creates conditions to develop local initiatives and more effective use of natural resources of the territory, as well as purposeful solution of its specific problems. Alongside with this, the sudden transfer to a new system of social relations, the imperfectness of legislative and jurisdic bases of activities, insufficient professional training of personnel of town-planning management and executive government give rise to a number of negative phenomena, hindering the optimal organization of the development of the city territory.

Despite all the shortcomings, partly described in this report, the city of Baku - is the best example in practice of Azerbaijan. With its example, it demonstrates the conditions of steady development against not only the factors, that are changing the internal socio-economic processes.

PRIORITY PROBLEMS

On the basis of above given facts and indicates of price state of populated areas development and quality of environment in Azerbaijan, determining living conditions of population in Azerbaijan and development of tendency of their processes are determined necessity of the solving the following priority problems.

1. VIOLENCE OF SOVEREIGNTY AND TERRITORIAL INTEGRITY OF AZERBAIJAN.

Armenian aggression against Azerbaijan which is expressed 20% of her territory, including 12 administrative regions of republic and expatriation of more than 1 million inhabitants of the republic from their native lands - from the territory of present Armenia, destabilises social-economic situation, which lies on country's budget burden; existing in crisis position of transition economy, militarises environment in region, stimulates destructive intensification for creating stable development of the Caucasian region and solving the common global problems among investments, restricts possibilities of attracting enough investments and capital for solving the problems of stable development of populated areas.

- 1.1. To guarantee sovereignty of the territorial integrity of the republic.
- 1.2. Violence of the fundamental human rights, depriving of home and elementary living conditions of 1 million Azerbaijanian refugees from Armenia and displaced persons.
- 1.3. Destruction of all infrastructure of environment and life security of population in 20% of the territory of the republic.
- 1.4. Material, moral, social, ecological damages from lack of normal living conditions for refugees and displaced persons including 12% of republican population.
- 1.5. Formation and entry to the active life of generation which brought up in conditions of expatriation, and did not pass the psychological rehabilitation after shock and damages.
- 1.6. Disinformation of state mass media of the country, trying to manipulate public opinion, to get control back to the republic located in strategically important geopolitical position.
- 1.7. Rehabilitation of natural image in conditions of increasing state information services of some countries of disinformation.
- 1.8. Poor conditions of families, first of all, having lost their breadwinner and runned by women, disables and victims of armed conflicts.
- 1.9. Transport-communication blockade of the republic.

2. UPSURGE OF SEA LEVEL AND POLLUTION OF THE CASPIAN SEA

The Caspian Lake influences on the state of ecology of environment not only in Azerbaijan and Caspian regions, but also on the territory of all Euro-Asian continents. Stable development of populated areas and living conditions of population in its basin is in dynamic interaction with its ecological state.

Influencing each other these systems determine continental conditions of surviving human society in the territories which goes beyond the regions of the Caucasia and Middle Asia.

2.1 Submerge of population areas and depriving their inhabitants of their home, normal living conditions in connection with destruction of all engineering infrastructures of life and organization of public services for populated areas which lost the base of existence and capability of self-development in former places.

2.2. Increasing number of unemployed population deprived of application of labour at enterprises being in submerge zone and stopping their activity, aggravating social tension in society.

2.3. Destruction of transit, transport and energy supply communication systems, complicating supply in regions of the republic, as well as in international communications.

2.4. Drop of agrarian potential of food products in connection with going out of order agricultural lands and reduction of fish reserves in connection with pollution of the sea.

2.5. Violence of ecological balance threatening biogeocoenose of coastal zone and unfilled degradation of its unique environment.

2.6. Worsening of ecological position of environment, drop in potential of natural demographical capacity of territory, restricting possibilities of development cycles of humane and natural selfproduction.

2.7. Obtaining money resources to construct houses for the population of submerged areas.

3. DISTRICTURE OF ADMINISTRATIVE-TERRITORIAL MANAGEMENT

The processes of transition of the republic into a new social economic structure, and town-building development of populated areas and functional-extensive organization of activity of inhabitants in conditions of existing economic crisis become contradictory to the relic systems of administrative-territorial division and management of populated area development and land use formed at previous stages.

This contradiction raises problems practically in all systems to provide conditions carrying out fundamental social- economic reforms in economy and vital activity of population - from the development of economic basis for populated areas, organization of rational land use, perfection of life infrastructure for populated areas, up to effectiveness of balance between necessity of state regulation in removing microregional disproportion development of Azerbaijan and decentralization of economic management with creating real possibilities of self-supply and self-development of territories, stimulation of their efforts to rise the quality of environment and keeping potential capacity of ecological systems.

3.1. Disparity of functional-spatial parameters of administrative-territorial division of the republic to the process of urbanization and formulating town-building system of populated areas, formed on the basis of real tour of population, transference of raw materials, goods and extension of services. It causes disagreement and irrational land tenure, duplicating and neglecting keeping mutual interests, lack of real possibilities in forming balance in demographic capacity and resource supply of territory, creating potential for self-development and reproduction of autonomous systems of population and environment.

3.2. Lack of coincidence in speed of territorial expansion of cities and changes in their administrative borders. Intensity of expansion of republican cities are accompanied by major expansion of city

areas. However, administrative borders of the cities possess large conservativeness and have gone over again during all analysed period of their overwhelming number in the republic.

As a result the blooded territories and those formed by industries in 97,1% cities are situated beyond the official administrative borders. It provokes unwarranted or arbitrary building of houses in bordering, stimulates irrationality of land tenure, natural calamity, ill-organization and chaos in the formation of living environment within their frame, leads to the birth of problems of extension of jurisdiction of municipalities to informal, but in fact including into the structure of cities, which restricts management possibilities of the process by corresponding organizations.

3.3. Contradiction between the status of urban habitations and the quality of dwelling environment, determining guarantee of provision of corresponding living conditions of population and steady development of habitations.

Preliminary results of indexation of development of the infrastructure of engineering facilities and amenities of habitations of the republic allowed to define that only 2,01 % of urban habitations and 5,8% of towns possess systems to provide the viability of population in conformity to norms. Thus only 22,9 % of the population of the republic and 43,21% of urban population live in an environment near to generally accepted standards of quality in urbanization areas.

3.4. Violence of balance of social-economic structure of large towns, in scale of reconcentration alien components and functions, exceeding the natural limits of possibilities of its bodies to regulate the development of dwelling environment and leading to degradation of the potential of viability of the centre and realisation of the function of generation of urban culture.

3.5. Lack of state systems of criteria to define the status settlements and appropriate standards of quality in living environment, made public as an objective means for definition of frames of state regulation and guarantee, responsibility of local selfmanagement and accessibility of public control.

3.6. Lack of system monitoring, the quality of environment, living conditions of population and processes of development of habitations in the republic which can secure realization of complex investigation processes of urbanization, regular and timely information, preparation of analytical forecasts and working out of a strategy to provide a steady development of habitations in the republic.

3.7. Reduction of project works and investigations for rational functional-planning organization of territories of townbuilding system of different ranks, most of all, inconformity of old general plans of towns to contemporary tendencies, which secures to define the parameters of achieving the balance of development of habitations and natural environment on the basis of calculations of demographic capacity of territory with the account of its suppliability by resources and also functional territorial integrity.

3.8. Insolubility of the problem of ownership of lands in habitations which stimulate irrational land tenure, exceeding one's competence in disposing of lands, corruptedness and economic inefficiency of informal trade with land plots in towns from which the main income is expected but it evades the municipal budget and remains in pockets of officials.

3.9. Imperfection of existing systems of statistic registration of indication of development of towns and environment; not according to the range, depth of characteristics of events, factors and indicators. It restricts potentials of the systems of state information, timely reaction and regulation of processes by appropriate central organs of management and administration of the republic.

4. INEFFICIENCY OF ECONOMIC-FINANCIAL PROVISION OF DEVELOPMENT OF HABITATIONS

Transition to the policy of decentralization of economic development of territories on the principles of their economic independence and financial self-supply in conditions existing in sharp microregional

disproportion and incompleteness of organization of structures of the established economic system of the republic deprives a great number (90%) of towns mainly small ones, realization potentials for solving the problems of development of living environments and steady development of habitations. The pursued financial policy does not create conditions for development of economic potential of the republic, administrative territorial and ownership activities, which are bases for increasing the welfare of people, reduction of social tension, extension of the sphere of employment, attraction of investments, perfection of the quality of environment and development of infrastructures providing viability in towns.

4.1. Disbalance of development economic potential of the republican microregions, doomed habitations, located in places fit for development and competition in supplying appropriate living conditions and social maintenance of population, stimulating tendencies of increase of natural migration to large towns, resulting in problems of reconcentration of population and exceeding the admissible antropogenic charge on social and ecological systems.

4.2. Inferiority of existing structures and non-formation of the territorial productive complex of the republic, expressed in the lack of aggregate links in technological cycles, in industries located in her territories. It restricts the possibilities to increase the economic potential of development of habitations, use of raw-materials, their total and rational processing, secure regular functioning of enterprises, extension of the assortment and quality of finished products, increase of capacity of labour market and management of processes of development of habitations and regulation of migration in Azerbaijan.

4.3. Chronical and catastrophical disproportion between deficiency of budget of local self-governing and expenditures, necessary for solving questions of stable development of habitations. The necessary amount of annual investments in development of municipal infrastructure of republican cities without the demands of Baku, 1,5-2 fold exceeds all the budget of local organs taken together in the last years. The total budget of the republic is 1,5 fold less than the damage inflicted by the rise of the level of the Caspian Sea. The total sum of demands of Baku to provide a stable development and its centre of urbanization more than 24 fold exceeds the present level of annual budget of local bodies of management of Azerbaijan taken as a whole.

4.4. Increasing potential of unemployment in conditions of high rates of demographic of structure development and increase of labour resources in Azerbaijan, aggravated by compulsory loss of jobs in connection with the closure of enterprises as a result of economic depression and transition period, and in the result of antropogenic and natural calamities.

4.5. Mass impoverishment of population, 96,7% of which are beyond the poverty line, which determines the minimum level of living standards. Average level of wages which do not provide even a fifth of consumer bag, do not provide elementary living conditions of medium level families in Azerbaijan, not mentioning the extremal cases, living conditions of pensioners, invalids, families of war victims headed by women and other more vulnerable categories.

5. INACCESSIBILITY OF APPROPRIATE DWELLINGS

15- 20 fold annual average level of income of families in Azerbaijan which is less than the medium cost of a dwelling in towns, makes it inaccessible for a great number of population, especially new families; its construction unprofitable on new market basis when the payability of population is catastrophically lower, which increases social tension in society, increasing unfavourable antropogenic pressure to the environment, caused by unpermitted construction of houses deprived of necessary conveniences, amenities and engineering facilities. Deficiency in local budget does not

supply means for the construction of public house fund. Mechanisms of financial stimulation of dwelling building are also missing.

5.1. Restoration of the dwelling fund lost in the result of the Armenian aggression is over 15000 dwelling units, with total area more than 9 million sq.m, all infrastructures of objects of social services for more than 1 million population and engineering facilities of 20% of territories of the republic.

5.2. Chronical lagging of growth rate of dwelling fund and construction behind the annual average rate growth of population increases the specific weight of families and population of the republic who want to realize their constitutional right to dwellings.

5.3. Lack of conditions to keep the house fund, volume of capital and current repairs do not compensate its losses in connection with amortization wear, increasing the volume of ramshackled and wrecked dwellings as well as restoration of reliability and planned modernization of finished buildings.

In conditions of increasing seismic activities in the territory of the republic more than 55% of dwelling fund does not satisfy requirements of living conditions and is under the danger of catastrophic destruction.

5.4. Growth of territories of living building in towns with inadequate conditions of health and dangerous living environment of population.

Conditioned by problems to supply themselves with dwellings by illegal occupation flats and unwarranted buildings in territories of large towns by informal migrants lead to chaotic, cluttered up dwellings, deprived of elementary engineering facilities. They mainly appear in territories not determined for development dwellings, in oil-fields in zones of gas lines, highly inflammable explosive communications, under the lines of high voltage electricity transmission and other sanitary protection territories.

5.5. Necessity to move population from dwellings of the first mass series of model houses, including panel-houses which have lost their constructive reliability, and in connection with spatial integrity and density of location presenting a danger of big, simultaneous destruction covering huge areas. Total area of such constructions, for example, in Baku exceeds according to preliminary calculations 15 % of its territory where more than one-fourth of its population live.

5.6. Stagnation of the base and industry of building production of the republic. Practical cease of work of building enterprises, the capacity of which provided high rates of house building in previous stages of socio-economic development of the republic, and today capable to raise the social building, conditions the degradation of productive structure, the modernization of which demands additional financial expenses.

6. LACK OF INFRASTRUCTURE OF VITAL ACTIVITY DEVELOPMENT

Appropriate living conditions and stable development of habitations are determined by the quality of environment and possibilities of man to satisfy natural demands of his socioeconomic development, health protection and ecological stability of nature, necessary for generations.

6.1. Unsatisfaction of dwelling fund level of republic's water supply, systems drainage, central heating system and not water supply.

6.2. Deficiency of fuel-energy supply of cities and populated areas of the republic.

6.3. Lack of engineering infrastructure facilities development and organization of public services and amenities in the territories of cities. First of all, drainage system supply and complexes of full value cleaning of waste water. In conditions of increasing number of city population and their territories accordingly increased pollution of soil, subsoil and surface waters, sanitary ecological state is aggravated in the regions of urbanization centres and agglomeration of populated areas

Inappropriateness of complicated planned organizations of city territories and set of their transport communications, increased intensiveness and capacity of transport flow, increase fleet of private motor vehicles giving rise to the pollution of atmosphere, overexpenditure and victims.

6.4. The reduction of technical park available for the exploitation of the public transport, comprising the main part of their population, regarded to vulnerable part of the society, forced to non-productive high salaries connected with the support for their necessary living functions.

7. THE VIOLATION OF ECOLOGICAL STABILITY

The health of population, as a significant condition for the society's stable development is defined by the ecological situation among the inhabitants and is the essential criterion of its quality. The health problems connected with unqualified drinkable water, low sanitarian atmospheric conditions, onland water, the disappearance of vegetative cover, degradation of fauna define not only the productivity and the rate of lives of millions of people. They can, as well, challenge the social tension and increase the level of vulnerability of population in the spontaneous cases. Finally, the increase of accessible limit of availability of ecological systems to the regeneration of the threat of disastrous transformation of biogeocenoz.

7.1. Destruction of ecological system of the Garabagh microregion, the territory which turned to a dead zone as a result of Armenian occupation and barbarous plundering.

7.2. Transborder pollution of environment in Azerbaijan.

In conditions of globalization of the economy and specificities of geographical location of Azerbaijan in Transcaucasion region, serious factor negatively influencing on ecological conditions of habitations and health of their inhabitants, is more increased flow of sewerage and toxic products of harmful technology through the national borders and also through the system of the main rivers of the region.

Special potential danger for existing life in the territory of Azerbaijan is the resumption of activity of the Armenian atom power station, situated in seismographic active zone of catastrophic earthquakes.

A source of danger to the stable development of territory of Azerbaijan is the Gabala Radio-locating Station.

7.3. Insufficient development of ecological monitoring system of the state of environment in habitations of the republic and nature protection complexes of the republic.

7.4. Increase of anthropo- and technogenic influence on recreational system of Azerbaijan, connected with disregarding potential capacity of the territory, increasing permissible load on landscape, destruction of natural resources in the result of economic activity, pollution of the territory, including city agglomeration.

7.5. Reduction in the capacity of recreational system of Azerbaijan, caused by the Armenian occupation of Garabakh sanatorium and health resort microregion, submerge of the territory in connection with the raise of the Caspian Sea level, placing of refugees and displaced persons, irregular growth of the largest recreation center and sharp fuel energy crisis deprived the population

of the republic of their possibilities getting balneological aid and recreation which are necessary for maintaining the potential of its self-reproduction.

8. DESTRUCTION OF THE HISTORICAL-CULTURAL LEGACY

The fact of military aggression and economic crisis fatally influences on the state of historical-cultural legacy.

8.1. Destruction, theft, plunder, modification of architectural, historical, cultural and natural monuments of Azerbaijan in the territory of Garabakh microregion of the republic, occupied by Armenia.

8.2. Degradation of systems of architectural and historical monuments of Azerbaijan caused by lack of possibilities of keeping them in safety and restoration in conditions of economic crisis and military actions, is aggravating by imperfection of organizational structure of management of protection and restoration of people's cultural and architectural legacy.

9. PROTECTION AND LIQUIDATION OF CONSEQUENCIES OF NATURAL CALAMITIES

Consequences of natural and anthropogenic calamities for habitations of the republic, ill-planned constructions, lack of fundamental infrastructures and studying dangerous regions of natural calamity is getting harder and more aggravated in Azerbaijan where mechanisms of securing readiness of the population and taking appropriate measures in such situations are not quite effective.

9.1. Regress and imperfection of systems of early notification of danger of seismic influence or other forms, displaying dangerous exogenic processes on the environment.

9.2. Lack of system of preventive reacting measures on large scale incidents and liquidation of consequences of natural, technical and anthropogenic calamities.

10. STAGNATION OF CONSTRUCTION SYSTEMS

Adopted acts of normative-legal base applied to apartment building have been acting since the beginning of 1990. Among them, first of all, acts, defining possibilities of liberalization of enterprises activities should be noted, release of them from state guardianship and transfer to self-financing and selfcompensation, development of free enterprises, including small enterprises. However during the past years this process hasn't acquired a wide range. It is sufficient to say that specific weight of state enterprises of the republican constructional complex amounts to 74,2%. Their share is 81,9% of building production. In the structure of state sector the main part (79,8%) consists of enterprises went over to leasing relations, specific weight of their capacity in production is 61,4%.

The rest of the privatization forms (Joint-Stocks, cooperations, collectivization, private ownership) presented in quite small volume.

The main reasons are established quota for wages concerning production costs, imperfection of crediting and tax policy, other shortages of legal base of financing for the activity, restricting work effectiveness.

10.1. Insufficiency of financial investments in construction stipulating stagnation of production, temporary closing down of building objects, regress of state of technical base, reduction of skilled personnel and increase of categories of unemployment population.

10.2 Structural imperfection and uncompleteness of complex for building materials production.

STRATEGIC AIMS AND PRINCIPLES OF POLICY

Azerbaijan as a state, UN member affirms the main aims of her activity:

To achieve stable development of the populated areas of the republic; to provide with proper dwellings for all citizens of Azerbaijan.

The main important condition of achieving them is a just, universal and lasting peace. Civil, international, religious frictions, armed conflicts, terrorism, foreign aggression or occupation, causing fatal effects for populated areas must be rejected by all states.

In her efforts in achieving these aims Azerbaijan intends to follow the principles:

Equality of development basis of populated areas in which all population has equal access to dwellings, infrastructure of service and engineering-municipal facilities, health protection of recreational space and other services of life support; equal possibilities for education, for productive and free chosen life style, individual, spiritual, cultural and social development; equal rights and duties for preservation and use of natural resources and cultural legacy; equal possibilities for participation in social processes of adopting decisions; free access to mechanisms securing protection of these rights from violence.

Liquidation of poverty with rise of the level of population income, satisfying the main demands of low-paid groups of population and providing with full, productive and freely chosen labour employment.

Regulation of development of adequate environment of population, securing the conditions of economic development, forming new working places and social progress as well as keeping good limits for health of man, quality of air water and soil equal to potential capacity of ecological system and its capability for reproduction of natural resources.

Perfection of space qualities and living conditions improving the level of organization of public services and amenities including architectural-aesthetic conditions, structures of land tenure, density of settling and building access to infrastructure of municipal-domestic and social-cultural services.

Consolidation of the Family Institute ensuring protection in context of assistance in supplying with apartment and means of life.

Development of citizen participation and responsibility of government in processes of adopting and realizing decisions, influencing on the state of environment in populated areas, wellbeing, health, security and protection of civil rights.

Partnership and solidarity as a means of more effective organization of society on the basis of social integration and cooperation of all social groups, as well as other countries and foreign participants in achieving common aims.

Obligations

Based on the afore-said principles, Azerbaijan declares its readiness to put into effect the agenda of HABITAT on the basis of implementation of national action plan and other directive documents and programme worked out and realized in cooperation with the main subjects of activities and with the assistance of the world community.

To provide the conditions of steady development of habitations in the urbanized world the members of the National Committee of Azerbaijan "HABITAT" oblige to act create an economy in which the existing resources should be used effectively within the potential capacity of economic system and also by granting all the population equal opportunities for healthy, safe and active life in harmony with nature and by taking into account the cultural heritage, spiritual and cultural values in the interest of securing the social progress. The main means of solution of the suggested tasks are the following:

- a) to assist the social integration of population in habitations of the republic;
- b) to realize necessary changes in production models and demands, as well as in structures of habitations of the republic aimed at preservation of natural resources, including water, air, biological diversity, energy resources and land and at creation of a healthy living environment for all;
- c) to introduce spatial models of development of habitations which reduce the need of population to transport, and also to create effective, ecologically stable transport system to ease the way to work places, to goods, services and daily conveniences;
- d) to preserve the fertile soils of urban and rural regions and protect the unstable ecosystem from the negative influence of habitations;
- e) to protect and maintain properly the historical and cultural heritage of population, including traditional types of residences and habitations where it is possible, and also the landscape and urban fauna and flora in open and planted areas;
- f) to create the necessary opportunities for competition and stable economic development owing to which the investments will be involved, the new working places will be formed and the profits necessary for the development of populated regions will be gained;
- g) to consider and utilize the potentials of informal section for housing and services of the poor where it's necessary and possible without frustrating the health and infringing safety.
- h) to mitigate undesirable consequences of structural reconstruction and transition process in the economy of populated regions;
- i) to liquidate the consequences of natural calamities in populated regions;

Ensuring proper housing for the people, the Azerbaijan National Committee members pledge themselves to improve the living conditions, labour on just and stable basis in order to enable person to have an adequate dwelling provided with main services and conveniences which must correspond to medical and sanitary quota, be reliable, safe, accessible and acceptable at price. The following directions to achieve these aims are considered as the main ones:

- a) to ensure the coordination of micro economic and housing policy and strategy for rendering support to mobilize the resources, creation of new working places and liquidation of poverty;
- b) to solve the problem of land owning and assist consolidation of landowning guarantees and equal access to plots of land under exploitation, in the first place for the women heads of families and the poor;
- c) to expand the access to efficient financing of housing for the people;
- d) to increase a compass of property and develop the dwelling market;
- e) to facilitate the execution of proper, accessible safe, efficient methods, harmless for environment, raw materials, technology in the field of construction;

- f) to raise the demand of housing for rent at accessible prices following rights and duties both of renters and landowners;
- g) to render assistance to renewal, prosperity and technical service of the existing housing fund;
- h) to assist to obtain dwellings and main services of homeless displaced persons, migrants, groups of native population and victims of natural anthropogenic calamities.

The National Committee members of Azerbaijan pledge themselves to carry out the strategy of stimulating the efficient participation of all major activity subjects in state, public sectors on national, microregional and local levels in the development of populated regions and housing fund.

The main directions of realization of the given tasks are as following:

- a) to ensure transparency and accounting in the sphere of management of national resources utilization;
- b) administration decentralization and distribution of resources to the extent that is necessary, also functions and duties of decentralization to the level efficient from the angle of peoples' needs meeting in their populated regions;
- c) to assist to develop the organisation and legal limits and raise potentials in order to create favourable conditions for civil participation and draw the people in the development of the populated regions;
- d) to raise potentials for administering habitations and their development;
- e) to render support to organizational and legal stimulating mechanisms for more active mobilization of financial resources to ensure the stable housing development and habitations;
- f) to render assistance to equal access to reliable information on the basis if it's possible modern communicative technologies and nets.

Ensuring the realization of adopted programmes the Azerbaijan National Committee "Habitat" pledge itself to consolidate the existing, and if necessary, to work out a new finance mechanisms that allow to mobilize additional investment (public and private) on international, regional national and local levels, also efficient methods of resource distribution.

The major directions in this way include:

- a) stimulation of national and local economy on the basis of creation of opportunities for competition and stable economic development due to which national and international financial resources and private investment, will be involved to create new jobs and profits that will lead to consolidation of financial foundation necessary for the support of housing development and populated habitations;
- b) to consolidate administration potential in the sphere of taxation and finance on all the levels of mechanisms of price formation and other sources of incomes;
- c) to raise the volume of national income on the basis of utilization of mechanisms of taxation that stimulate the realization of stable practice to activate direct support of stable development of habitations;
- d) to consolidate the normative and legal limits that create necessary conditions for market finance that assist independent initiatives and creative search, development in the interests of financing of housing and habitations;
- e) to enable access to wider credits for everyone;

f) to realize operative, forecasted indicators based on the account of economic indicators by means of distribution mechanisms between administration bodies of different levels;

g) to ensure purpose direction of subsidies to the category of population not served by market and also to realize proper mechanisms of crediting and take other measures to meet the demands of people.

The National Committee members "Habitat" pledge themselves to take part in international cooperation and consolidation of partner relations facilitate the execution of national regional, global plans within technical and financial aid and by means of improvement of organization mechanisms, changes of appropriate mechanisms and analysis of housing informations of inhabitants and development of international information nets.

The Azerbaijan National Committee members pledge themselves to organize control and estimate the results of efforts on realization of national action plans to ensure efficiency in proper housing for everyone and stable development of habitations.

The Azerbaijan Government pledges itself to consolidate the role and organization of potential of Azerbaijan National Centre Habitat as to help the state and public organizations to control and estimate the realization of action programme, to ensure establishment of its direct interplay with Habitat in Nainorbi.

The Azerbaijan National Committee "Habitat" pledges to convey the National Centre Habitat information on housing and urban indicators as the basis of realization of operative condition analysis and permanent information about the tendencies of population, dwelling changes, development of settlement and housing.

PRINCIPIALS OF NATIONAL ACTIONS PLAN OF ACTIVITIES: STRATEGY, POLICY, ACTIONS

1. THE LIQUIDATION OF CONSEQUENCES OF AGGRESSION AGAINST AZERBAIJAN

ACTIONS

The military aggression, which has deprived over a million of Azerbaijani of their traditional living environment, has brought the transformation and development of society to the edge of degradation. The psychology of survival is a leading element today for this social group and great efforts of the world community are required to change this orientation towards survival, a global orientation towards stable development.

As a UN member, Azerbaijan denounced all attempts to change the recognized borders by using force, terrorism, ethnic cleaning and actions of violence against the civilians, she once more confirms her adherence to peaceful solution of the conflict. After the unconditional liberation of the occupied territories she needs the assistance of the world community to realize the programme "Home-Coming". The very elaborated of such a programme without the assistance of international institutions is impossible. She also needs the support of various humanitarian and economic funds to restore the ecology and monuments, recultivation of lands which have been under military operations for a long time. For this purpose it is necessary:

- 1.1. to return over 1 million refugees and displaced persons to their native lands;
- 1.2. to reconstruct all the infrastructure of life support of settlements and to renew the strong functional-spatial dwelling environment in the occupied territory, which is 20% of the republic's territory;
- 1.3. to reintegrate and socio-psychological reanimation of combatants, adaptation of participants of war actions, moral and psychological renovation of the generation born in banishment;
- 1.4. to compensate the moral and financial damage;
- 1.5. to take political decisions to ensure guarantees, that enclude conditions for recurrence of the conflict and attempts to violate the territorial integrity Azerbaijan;
- 1.6. to denounce actions, to guarantee not to use Armed forces and other actions against the civilian accompanied by victims, destruction of dwellings and menace the stability of their development;
- 1.7. to deblockade the transport and communication system of transit roads of the Republic of Azerbaijan.
- 1.8. Deblockade of transport-communication system of transit routes of the Republic of Azerbaijan.

2. STEADY DEVELOPMENT OF HABITATONS IN AZERBAIJAN IN THE PROCESS OF URBANIZATION

Tendencies of urbanization, observed in 70s, provided high level of life in towns and suburbs. As a rule, in advanced countries it created very comfortable chances for men of middle class to combine work in cities with their dwellings and ecologically healthy nature of suburbs. At present after 20 years development of electronics has freed men to link the work place with one's dwellings and

improved the quality of life, which means that there is no need to be always in the office. Men that try to provide themselves with this "new electron quality" and are independent from the location of their dwelling are engineers, translators, interpreters, artists, composers, writers. Transition from the epoch of industrialization to that of computers, has not gained citizenship in Azerbaijan yet. In rurals of the republic lack of necessary structures of communications and information disables men to have an urban life, even if all other standards are observed. With the account of these conditions rurals present a good field for realization of the idea of urbanization in the narrow sense of the world, i.e. to provide an urban life by not making it appear urban.

But realization of these tendencies in Azerbaijan are still in the stage of formation of conceptions. The real life of habitations is that in circumstances of economic crisis and military aggression of Armenia people flow to centers like Baku, Sumgayit and Ganja.

2.1. REORGANIZATION OF ADMINISTRATIVE-TERRITORIAL MANAGERMENTS

The course of Azerbaijan towards the cardinal reform of socio-economic formation determines the necessity of decentralization of the system of management and strengthening the role of local bodies of executive power. In conditions of economic crisis, lack of local budgets the local bodies are not able to solve the problem of providing of normal living environments for inhabitants. The potential of their development lies in rational use of resources, lands, functional-spatial ties with other habitations where are industrial enterprises and which form a single technological cycle of production, energy supply and other types of function support.

Thus, capability for independent development and financing settlements are defined by available resources in the surrounding territories that constitute their economic potentials. In this case the factor of administration acquires an essential significance.

The problem of observation of construction developments, that don't harm the natural and economic capacity of the territory, acquires the paramount significance in modern urbanizing Azerbaijan.

Besides, the modern scale of urbanization of the republic uniting settlements and territories of considerable area of several regions, are menaced by frustration of administration unity both based on principals of rational utilization of nature and in case of natural calamities.

Destructive significance in the rational utilization of land, under the jurisdiction of rural regions deprives necessary potentials of self ensuring, opportunity of optimal land utilization and creates debatable situations of uncoordination of administration.

The status of cities must become a powerful means of stimulation of administration and publicity to strive for raising of engineering construction level and equipments of settlements and housing fund, preservation of environment, directly dependent on systems and indicators of dwellings.

In the republic the structure of administrative territory division doesn't correspond to these criteria and obstacle the realization of radical reforms. New conditions demand reforms in administrative territorial system of the Republic. The tendencies and principles of habitation in the Republic are interrelated with the development of appropriate territory and industrial complexes of microregions based on creation of closed technological cycles for production to complete the production. In its turn, it defines the economic development of the republic aimed at regional development and elimination of disbalance in territorial organization of industrial system in Azerbaijan.

Within the habitation system one should solve the questions of creation of recreation complex that will ensure needs of the recreation of the health both of population and stability of appropriate economic system.

And finally, lack of administrative bodies which entirely cover the metropolitan region, creates difficulties for urban administration.

Thus, habitation system in Azerbaijan as the territory integrity of settlements, must be considered as object and settlement affects, and as the development subject.

Transition to creation of habitation systems allows to realise the opportunity of redistribution of functions between territories and settlements, organization of more rational utilization of natural resources on this basis, ensuring the conditions for population's activity and reproduction of social and economic potential of the Republic based on the cooperation of infrastructures and capitals. It will allow to create a unified system of administration with the help metropolitan areal both in the land utilization and precaution and liquidation of consequences of natural calamity.

Thus, conformity to real space conditions of development and functioning of settlement and territorial administration and territory division of Republic would have enabled eradicate contradictions and problems in local bodies, would ensure normal conditions of territorial administration and efficient regulation of their usage, eliminate government barriers, coordinate and cooperate the efforts for development of general service infrastructures and engineering territory equipment.

ACTIONS

2.1.1. CREATION ORGANIZATIONAL PRINCIPALS OF REFORMS IN ADMINISTRATIVE AND TERRITORIAL STRUCTURES

- a) to develop the settling system, integrating urban and rural habitations, agricultural and other natural resources of the territory into objects and administration subjects and to regulate the social and economic development of territory development and nature utilization;
- b) to reorganize and regional restructure the system of administrative territorial division to conform it to real processes of social and economic development of habitations system and production and to conditions of ecological potential of the territory.
- c) to work out the system of Registers of cities which define the juridical principal and criteria of urban categories of various range with appropriate ranging of jurisdiction, the limits and structure of formation of metropolitan areal policy of financial stimulation etc.;
- d) to work out and realize the evaluation of rural living sphere of appropriate indicator systems and account indexes;
- e) an adequate reorganisation of accounts statistic system and registration in the Republic, its adaptation to world standards and ensuring regular access to systems of foreign information;
- f) city construction passportization of urban settlements;
- g) to establish the system of monitoring, analysis, research forecasting of the tendencies of living sphere changes in the cities of the Republic.
- h) to create and develop direct interplay with "Habitat" to ensure participation in the international cooperation of National Centre (Habitat) of Azerbaijan as an independent analytic and information

body of the Government, evaluation of living sphere of cities, formation and development of Register in the Republic, that ensures opportunities to realize the monitoring process; formation of banks; operative modelisation of results of development solutions and assignments of objects on the territory of the Republic; of coordinating, consultative activity in marketing process of municipal immovables;

i) to reconsider the status of cities based on realized system of registrations adequate to qualities and level of living conditions;

j) to conform the administration boundaries of cities and their suburbs to present situation and demands of natural growth;

k) to increase fund assignments for designing organization of the territory, first of all for designs of general plans of towns in accordance with cardinal changes in conditions of their development in the new stage; l) methodical-normative support of town-planning design of suburbanization and complex solution of the problem of formation of a qualitative living environment.

2.1.2. PLANNING AND MANAGEMENT OF METROPOLITEN AREAS

a) To contribute to elaboration of strategies of planning and management covering the entire metropoliten area;

b) to control the effective metropoliten structures and administration systems, to carry out appropriate analysis and take into account the outcomes when working out state policy that concerns the solution of social, economic, ecological problems of microregions;

c) to create legislative limits and to realize organization structures to ensure coordinated and effecient services to population mobilization of resources and steady development within all the metropoliten areal;

d) to consolidate oportunites and metropoliten authorities on efficient solution of problems of microregion and regional significance such as land utilization, rational use of water recources, presentation of environment, transport and communication, trade, finances and social integration;

e) to create, where necessary, basic groups of exprienced specialists;

f) to stumulate and develop the dialogue on general politics and experience changes, special knowledges, know-how and technologies between metropoliten authority bodies in these branches: transport, communication, trasportation of wastes, social maitenance and rational use of enviroment.

2.1.3. CONSOLIDATION OF POTENTIAL OF LOCAL ADMINISTRATION IN DEVELOPMENT OF HABITATIONS

Economic vitality, social activity and ecological stability of populated regions in the conditions of lasting rapid urbanization will greatly depend on capability of state bodies to take into consideration paramount tasks of community, embolding the development and consolidation of partner relations between private, state and community sections. All this will be obtained owing to the efficient decentralisation of functions and ensuring proper resources of the important persons who are nearer to ordinary citizens and express their interestest on the basis of realization of strategie and urban administration. The similar decentralization of authorities and intended methods of urban administration will take additional demands to the existing institutions in Azerbaijan. Accordingly, the growth of potential must be concentrated on the support of decentralization, and on people's support in the process of urban administration.

The strategy of "stimulization" of raising potential and institutional development must be aimed at taking necessary opportunities to all the acting persons, in the first place, to local authority bodies, private, cooperative sectors, professional groups, non-governmental organisations and communities, must play an efficient part in planning of populated regions and their administration. The coordination of efforts in the development of living resources, realization of institutional reforms, development of organization and administration structures, ensuring subsequent training and improvement of qualification is necessary on all the levels.

2.1.3.1 Development of decentralization, mechanisms and strengthening of local bodies of power

The paramount attention in the policy of improvement of decentralization of organization in Azerbaijan is the growth of potential of local bodies of executive power, that ensures efficiency of administration:

- a) to consolidate the potential of local bodies, to involve the private and community sectors to work out the tasks for the future, involving standard stability and economic development on the local level.
- b) to render support to local bodies in realization of mechanisms to gain incomes;
- c) to create favourable conditions for technology experience and administration skills, exchanges between local bodies in the process of people's service, control on expenditures, mobilization of resources establishment of partner relations and development of local business based on realization of the programme of technical partnership and experience exchange;
- d) to improve efficiency of the activity of local authority bodies based on realization of comparative analyses and use of the existing potential in the sphere of taxation in cities.
- e) to assist institutionalization of participation of population in the process of adoption of decisions and administration;
- f) to assist the dialogue on matters of general policies between governmental bodies, private and community sectors;
- g) to collect, analyse properly the data that allows to judge efficiency of the local bodies to meet the needs of their citizens;
- h) to consolidate measures on eradication of corruption and ensure the transparency and efficiency of the process of local resources and vast community participation in it;
- i) to assist wider perception of importance of agreement relations with private sectors and non-governmental organizations to involve the specialists to establish efficient partnership relations;
- j) to assist justice and equality based on woman problems and involvement of vulnerable groups of population by means of taken measures aimed at reflection of their interests in the process of working out the policy and taken decisions and also by means of such methods as conduct of seminars with the aim of preparing of propaganda staffs, involving the development of mediator and organization skills for more efficient unities and agencies;
- k) to use legal mechanisms that allow to ensure liability of state and local bodies.

2.1.3.2. Improvement of administration of development of habitations

The heads of habitations must rely on knowledge and ability of the most different categories of population and institutions of different levels. Lack of qualified personnel, weakness of organization systems and undeveloped technical potential are major hindrances to improve the living conditions in

localities of Azerbaijan. Besides, new skills, know-how and technology should be used in all aspects of planning of settlements and administration. It's necessary to ensure efficient development:

- a) to reorganize the system of state regulation of construction of towns by means of transformation of administration structures to coordinating bodies;
- b) to work out and support curriculum for administration employees and urban officials;
- c) to work out and realize a policy and practice in the sphere of professional training, education and development of living resources, covering the wide range of associations, local authority bodies, academic, scientific and research, educational establishments and private sector;
- e) to organize the training course in the system of higher education of specialists in construction and development of urban culture and municipal management;
- f) to develop local potential to meet demands involving the appropriate specialists of supplementary researches, particularly concerning the evaluation of social, ecological effects, economic growth on local level and opportunities for creating new working places and use of outcomes in administration systems;
- g) to prepare teachers to create basis, that is necessary for consolidation of educational establishment and growth of the potential;
- h) to create information systems for exchange, know-how and technology on the matters of administration by inhabited localities.

2.2. IMPROVEMENT OF SOCIAL CONDITION OF LIFE

2.2.1. REDUCTION THE LEVEL OF POVERTY

Balancing, social viability and stable development of habitations depend on reducing and finally on liquidation of poverty. Solution of these problems has no other alternatives except the increasement of financial and economic bases which to provide the expansion of quantity of jobs and access to economic possibilities to raise the welfare, to assist the achievement of stability of living conditions on the basis of independent choice of useful labour and main social services. The special efforts are necessary for providing those things in order this access should be available for those who are in unfavourable condition. To the key elements of the strategy of reducing the level of poverty in Azerbaijan must belong the measures directed to just distribution of welfare and incomes; social protection of those who are incapable to provide themselves with means of existance; development of human resources; improvement of infrastructures; all embracing provision of main demands of the population.

One of the most important instruments of solution of these problems on all levels of the power from state to local levels, - is the provision of social integration in all layers of society on the basis of acknowledgement of the importance of voluntary participation and in the close cooperation with non-governmental organizations, with organizations on communal level, with co-operative sector and governmental, and private funds.

ACTIONS

- a) To formulate and realize complex programs of development of settlements which provide equal access to main services and the maintenance of these services on the demanded level;

- b) To achieve inclusion of corresponding international programs of financial and humanitarian aids till 2000.
- c) To reorientate, after the completion of military conflict and liquidation of the consequences of the Armenian aggression, the governmental resources on support of mechanisms and infrastructure on community level and assist to participation of local communities, including women, in showing up the demands in governmental services in spatial planning, projecting and functioning the town infrastructure;
- d) To assist the high effective investment activities for introduction of the demanding involvment of the considerable labour forces in the methods of building and restoration of infrastructure and spheres of service in the settlements;
- e) To encourage such kind of contract works and purchases that creat favourable conditions for involvment of local private sector, including the small enterprises and if it is effective, non-formal and communal sectors in the activities for providing the population with the main public utilities and goods;
- f) To assist the access of the credits for the poor, on the basis of utilization of innovatory alternative methods of banking;
- g) To increase and strengthen the micro and small scaled enterprises in a private and co-operative sectors and expand markets and other opportunitis in getting jobs for women, men and young people where it is expedient to strengthen the relations between non-formal and formal sectors;
- h) To build and strengthen programs directed to preparation of specialists in management with projects on community and local levels, including the estimate of demands, foundation and working out the project, its realization and analysis of estimation of influence;
- i) To encourage building community organizations of native population, private voluntary organizations and other nongovernmental organizations which might contribute in efforts in struggle against the poverty.

2.2.2. IMPROVEMENT THE STATE OF WOMEN

In Azerbaijan women constitute 12% in the Parliament. Their number in governing the country is also great. Besides, in accordance with the statistic data and sociological inquire, the potential level of education and active orientation in participation of entrepreneurship in social life does not correspond with the opportunities in Azerbaijan as the society supposes.

The women, the most vulnerable group of population in the world, are the first and the most suffered victims of external aggression and economic crisis in Azerbaijan.

ACTIONS

- a) to open a special woman bank for asisting woman entrepreneurship under auspicity of the World Bank;
- b) to develop the system of social privileges distributing among the women who had lost the breadwinners of the family;

- c) to introduce data in the system of preparation and distribution with laying out according to sex, providing that all statistic data should be gathered, compiled, analyzed and presented with laying out into age and sex groups;
- d) to integrate the results into a common policy in the sphere of steady development of settlements;
- e) to create branching system oriented in development of national "woman" folk industries in particular carpet weaving.

2.2.3. PROTECTION OF VULNERABLE GROUPS

To protect vulnerable groups of population in all appropriate levels of the government, including local organs, it is necessary to establish a partnership with non-governmental organizations and organizations on the levels of community and other voluntary unities for the purpose to consolidate the efforts in revealing and rendering timely assistance.

ACTIONS

- a) to use in urban regions the complex of nature protective, social and economic policy and programs related to the regions, which are in an extremely unfavourable state, and to the regions characterised with high level of social isolation;
- b) to render support to the local organizations including the councils of the aged, woman groups, mass movement, unity of young people, other unities on the common level of the community in adopting the decisions of the programs of social provision;
- c) to render support to the initiatives in the sphere of social provision and community development and establish the operative partnership of relations with the organizations that realize them;
- d) to improve the projection of urban environment with the aim of meeting the demands of vulnerable groups of the population, and in the first place, of invalids;
- e) to establish favourable conditions for access of poor groups of population to the juridical services on the basis of preparing such mechanisms as centres of legal support and free juridical consultations.

2.2.4. STRUGGLE AGAINST THE VIOLATION AND CRIME

The urban centres of republic become the zones of higher criminal danger, having become the places of reconcentration of population. The policy of struggle against the crime in the republic is determined with the necessity of carrying out the work on four levels: in preventive, prophylactic, investigation, penitentiary and post-penitentiary (rehabilitation).

ACTIONS

- a) to realize the programme of "Street Children";
- b) to develop the nets of sport and technical clubs for difficult teenagers;
- c) to create specialized industrial training unities in the industrial, agricultural and servicing enterprises for teenagers;

- d) to realize the projecting urban dwellings with the aim of establishing the proper maintenance and use of public places that assist the citizens to spend their leisure usefully, with that to bring down the percentage of unequipped physical spaces to the minimum which create a favourable condition for crime.
- e) to work out a program of organized recreation, professional training and legal enlightenment for teenagers and homeless children, that could involve the investment of the private sector and support of private non-commercial organizations;
- f) to work out programs aimed at the rise of skills of leadership on local level in the problems of assistance, to settle the conflicts and measures of interfering on the collective basis;
- g) to assist guarantee of personal security by means of decentralization of police services in accordance with the situation, strengthening their accounts before the serviced community;
- h) to create available, inexpensive, impartial and humane local systems of justice on the basis of stimulating and strengthening, existing traditional institutions and procedure of settling the dispute and conflicts where it is necessary;
- i) to improve the system of penitentiary maintenance and rebuilding up;
- j) to create, in the big urban centres of the republic the centres of social rehabilitation for the persons who have completed penalty term;
- k) to work out proposals of making amendments to the the standard acts for the convicted person, the right of maintenance to dwelling during the whole period of setting his punishment;
- l) in working out state program guaranteeing the employment of population, to take into account the problem of job finding of the citizens realized his sentence;
- m) to work out and introduce the system of information of organs of justice about the vacancies and opportunities of finding jobs for the persons, serving their penalty terms.

2.3. STRENGTHENING THE URBAN ECONOMY

The solution of all social problems of development of settlement is determined with economic opportunities of their provisions.

Being the producer of the main part of the gross national production of Azerbaijan, the cities of the republic can develop the necessary potential for maintenance the corresponding production volume, improvement of life conditions of urban people and ecologically stable use of natural resources, in that case. If the other factors, such as the growth in number of population and migration, is regulated effectively.

The main impulse to this process can give the industry, trade and servicing sphere.

The cities as the centres of economic life and main sources of service, initiating economic progress, function within the system, including the subsidiary economic objects, situated in suburban and rural districts. The necessity of taking concrete measures in developing and maintenance on the necessary level of effective transport, information communicative systems with other centres of the city and rural district is conditioned with this very reason. Rapid changes in industrial technology and structure of trade and consumption inevitably will cause the changes in spatial structures of the city.

Economic development and activity of the servicing sphere can be intensified due to rationalization of such directions of activity and inhabitation sphere, as modernization, expansion of infrastructure, construction and social works. These directions are also important factors of growth, allowing to

create new jobs, places to increase the level of income and efficiency in other fields of economy. On other hand in combination with the carrying out the proper policy in the sphere of protection of environment they are able to ensure the steady improvement of life condition of urban population and the rise of indices of efficiency and productivity in the country, as a whole.

ACTIONS

2.3.1. CREATION OF STEADY ECONOMIC BASIS OF THE CITIES

- a) to work out the strategy of economical development of the republic and policy of stimulating increase of the industrial and production potential at town-forming base of the settlements of Azerbaijan;
- b) to work out the program of development and distribution of the labour forces of the republic on the basis of rational use of the sources of raw materials forming the structure of production potentials, the principles of formation of territorial and productive complexes and regional regulation of its organization.
- c) to work out the models of flexible development of the structure of territorial and productive system of the republic, on the basis of different variants of functional and spatial combination of elements of all combinability of enterprises necessary for formation within the republic reserved technological circles of main, subsidiary, serving and accompanying production, creating the base of purposetul formation of territorial and productive complexes on the level of micro-regional and local system of settling headed by the cities and main centres.
- e) to encourage putting right the new partner relationship between state and private sectors within the framework of the institutions, being with private possessions and managing by private persons, but being national ones because of their functions and tasks.
- f) to work out and carry into effect the legislation of municipal property;
- g) acceleration of privatization of the state property and setting up the market of securities;
- h) to form markets of property in land and other kinds of reality of property;
- e) to concentrate the effects of state stimulation of industrial development of potential in limited number of the cities - main centres in settling systems as the subject of administration, in the scales, guaranteed by rational utilization of natural resources on the one hand, on the other hand the development in this base including the systems of country location.

2.3.2. CREATION OF CONDITIONS OF PRODUCTIVE ACTIVITY AND INVESTMENT

- a) To realise the policy of urban development, taking into consideration the needs of enterprises on local levels.
- b) To contribute corresponding allocation of land in sufficient number to meet the needs of business circles.
- c) To make possibilities for purely urban forms of economic activity supporting newly beginning to function business enterprises, helping the small-scale and medium-sized enterprises, including informal sector to recieve an access to credits and financing, rationalizing legal administrative procedures.
- g) To make favourable possibilities for agricultural activity within the city.

2.3.3. DEVELOPMENT OF SMALL-SCALE ENTREPRENEUR ACTIVITY

- a) to assist development of vocational training on matters of information system.
- b) to render support to structural reconstruction of local branches of industry by means of improvement of urban infrastructures and services, provision of electrosupply and investment in the development of means of communication.
- c) to encourage participation and investment activity of private sector in improvement of quality of social production and services.
- d) to institutionalize and strengthen the programs including credit financing, vocational training and transmission of technologies directed to the rendering support to small-scale entrepreneur activity, microenterprises and cooperative sector.
- e) to carry out investigation of tendency of development and organization of informal sector of production and entrepreneur activity in the republic.
- f) to contribute objective attitude to informal sector and to encourage setting, the relations between financial institutions and non-governmental organization, rendering support to informal sector where it is necessary.
- g) to contribute spreading informal sector of acts on state protection of human rights in respect of labour on the basis of carrying out corresponding conventions on International Labour Organization with questions of freedom of association, discrimination, child and forced labour.
- h) to contribute gradual spreading informal sector acts of standard measures, being guided by conventions and recommendations of International Labour Organization.
- e) to take into consideration as far as it is possible, the needs of informal sector within the framework of systems of townplanning, projecting and administration and to encourage its transition to informal sector.

2.3.4. DECLINE THE NEGATIVE CONSEQUENCES OF STRUCTURAL RECONSTRUCTION

- a) to contribute using integrated approach to solution of problems connecting with socio-economic consequences reform for meeting needs in development of inhabitations.
- b) to carry out basic social programs and realize corresponding means, in particular, in the interest of poor and other vulnerable groups of population micro enterprises and other forms of small-scale enterprises.
- c) to elaborate policy directed to the provision of more justful and wide access to revenues and resources.
- d) to support accordingly state and private enterprises and their efforts for adaption to the changing needs in the sphere of technological progress and development of human resources.

2.4. BALANCING IMPROVEMENT OF SETTLEMENTS OF RURAL DISTRICTS

Territories of the republican rural districts form economic potential of improvement of production base of cities and their food provision. The state of improvement agricultural production and rural population, in much determines prospects of development of cities in the republic.

Insufficiently developed infrastructures and services, lack of the safety of technology from the point of view of ecology and pollution, being the result of industrialization and urbanization, seriously aggravate degradation of environment in rural districts. For realization of policies, and programs of integration of rural districts into national economy is demanded highly effective local and national institutions in the sphere of planning inhabitations settlement and their administration which should be paid a special attention to relation between the city and village and considered as 2 last points, in single process of evolution of inhabitations.

ACTIONS

2.4.1. BALANCING POLICY OF REGIONAL DEVELOPMENT

- a) Development of structure of planning, regulation, projecting organization of the systems of settling and locality, presenting everything including their rural components.
- b) to create procedures, guarantee calculation of interest of rural population in determination of priority tasks on maintenance of balanced and ecologically safe regional development.
- c) fully to use the systems of geographical information and methods of ecological evaluation for elaborating policy of ecologically steady regional development.
- d) to carry out plans and programs of regional and rural development, based on accounting of existing requirements and necessity of provision of economical vitality.
- e) to create transparency system of distribution of means among district based on the account of existing consumption and needs of provision of economic living conditions.
- f) to provide corresponding legal tax and organizational framework which could be favourable to strengthening of interrelation between small and medium-sized settlements in rural districts.
- g) to contribute wide collaboration between local communities in search of complex solution of problems connected with land-utilization, traffic, protection of environment in the context of urban and rural development.
- h) to use foreseeing wide attraction of mass approaches to balanced development of cities and villages on the basis of permanent dialogue between acting persons, involved in urban and rural development.

2.4.2. PROMOTION OF DEVELOPMENT OF SMALL RURAL SETTLEMENTS

- a) To contribute active participation to isolated and distant and also mountaneous maintation communities in national economy and activities of centres of service of rural population.
- b) to take corresponding measures for improvement of living conditions and work in regional urban centres, small towns and in the centres of service of rural population.
- c) to use, where it is necessary, measures of stimulation of intensifying investment activities in rural regions.

2.4.3. ASSISTANCE OF PERFECTION OF TECHNOLOGY

- a) to enlarge access to agricultural production, sale and information about prices in distant regions on the basis of using, utilization the advanced and available technology in the sphere of means of communication.

b) In cooperation with farm organizations to contribute research activity on matters of using the traditional, new and more perfect technologies in agriculture, forestry and spreading obtained results.

2.4.4. INTENSIFICATION OF DEVELOPMENT OF INPOVERISHED RURAL DISTRICTS

a) to stimulate development of rural districts by means of increasing possibilities for getting jobs, building up educational and medical institutions, strengthening technical infrastructures and encouragement of creation of agricultural enterprise and using steady methods of agriculture.

b) to determine high priority of investments and regional infrastructure, based on considerations of economic profitability and social justice.

c) to encourage private sector to development and strengthening of whole-sale markets functioning on a contract basis, and intermediate trade levels for sale of products with the purpose of increase and guarantee of inflow of cash and more wider utilization of rural transaction in rural districts.

i) to use just and effective systems of price formation payments concerning with agricultural production, in the first place concerning with foodstuffs realizing in urban districts.

f) to ban the assignment of subsidies, bringing to damaging environment, for example, such subsidies, which stimulate wider use of pesticides and to abolish systems of price control which contribute for further use of unstable forms of practical activity and systems of production in agriculture and farming.

2.5. FINANCING OF URBAN DEVELOPMENT

Maintenance for economic viability of the cities represents the urgent problem for realization of which new systems of financing are demanded on the republican and local levels. It is necessary to build up the effective partnership relations between state and private sectors, within which the introduction of local taxes into production and consumption should be combined with tax stimulating and investment activities from the side of industry, trade and sector of private service. There exists a consumption in new forms of municipal financing for meeting the future needs of urban economic development and defrayment of expenses in the infrastructure and in the fields of service.

ACTIONS

a) To work out the strategy of financial policy of the state on maintenance of economic development, stimulating steady development of the cities and rise of welfare of the population;

b) to prepare and adopt the program of the government including in state budget the expenses on stimulating spontaneous increase of urban economy of the settlement;

c) to strengthen the potential of local authorities for involving the investment;

d) to use the means of policy for establishment the limits on macroeconomical level, encouraging the increase of internal savings and creating favourable conditions for their use in the house-building, in development of the base infrastructures and settlements;

e) to increase effective, proportional and reliable sources of income on national and local levels, including taxation, payments for services, rates and dues for rising the cost of ownership due to the

expenses of means of the government, in the interests of development of national and local potentials for capital investment to the housebuilding, infrastructure and main services;

f) to work out new financial mechanisms, foreseeing the punishment for damage of the environment;

g) to strengthen effectiveness of mechanism for expenditure of means;

h) to work out and introduce the system of establishment of bankruptcy of the enterprises and proper order for mutual settlements excluding the delay of solution of the problems or creditorial and debitorial debts;

i) to attempt to total defrayment of expenses in the urban services on the account of municipal and other payments providing at the same time the satisfactory demands of the poor on the basis of using corresponding price policy and direct subsidies;

j) to render support to the efforts on the local level in encouragement of partnership with private and communal sectors and their participation in creation, exploitation and technical security of base infrastructure and services;

k) creation and development the markets and stocks of securities;

l) to rationalize and lighten the access of local authorities to national, regional and international markets of capital and specialized credit enterprises on the basis of introducing, the estimates of solvency of creditability system on municipal level, proceeding from the ability of the loan-receiver to pay the debts;

m) to activate the role of local authorities in establishing partnership relations with private, communal and cooperational sectors and corresponding institutions for the purpose of increasing the local enterprises;

n) to institutionalize budget mechanism and accounts with the purpose of presenting to local bodies the possibilities of taking part in middle and long-term investment programs;

o) to create transparent systems and procedures of financial accounts;

p) to institutionalize transparent mechanisms of transfers between bodies of administration of different levels for guaranteeing their timeliness, forecasting and orientation of achievement of maximum efficiency and meeting existing needs;

q) to attract private investments for city development;

r) to intensify the control of using means from tax earnings for the development of infrastructures of habitations including road fund;

s) to use innovative methods, allowing to receive income from the increase of cost of land and to defray the national investments.

2.6 LAND-TENURE REFORM

The land resources are the basis of viable system, so far as they provide man and his existence with the possibility in realization of any kind of activity. Rapid growth of areas of urbanization in the republic, access to land in greater degree complicates the collision of interests in housing industry, trade, infrastructure and transport and also the necessity of preservation of open and green spaces. The inadequate administrative and territorial division of the republic promoting the process of spontaneously irregular developing of new lands, limits the possibilities of rational land-tenure, especially under the local authorities, using the outlying districts for their own purposes, while the

available developed plots in the middle zones and infrastructure are developed but not used in full measure.

It is necessary to reconsider land-tenure policy on national, regional and local level, directing to gaining of balanced achievements, including the protection of the agricultural lands of regions which are the areas of inhabitation existing species in the country which allows to preserve biovariety of unstable ecosystem and also in coastal districts and other weakly protected regions from external influence in need of protection.

Its basis must include such models of land tenure which at first would create favourable conditions for bringing to minimum requirements in transport services, energy economy and preservation of open spaces, observing acceptable density for the health of urban population and mixed models of land tenure. Location decision on all kinds of objects in the territory on all levels of management must be provided with respective systems by state control and adopted only on the basis of respective project planning documents (the project of region planning, general plans of towns and so on), worked out with the account of ecological potential of territories and estimation of lands.

ACTION

2.6.1 IMPROVING OF LAND-TENURE SYSTEM AND LAND OWING

- a) to make the full inventory of state-owned lands and to work out conception of coordinated development of settlements and agricultural lands, variety of providing mechanisms;
- b) to work out corresponding systems of cadastres and rationalize the land registration procedures;
- c) to prepare proposals on development of different forms of properties in towns of the Republic and mechanisms of their development and use;
- d) to review land codes and other land laws to conform them to systems of estimation of land categories and immovable properties, the right of their usage with divergences of interests in exploitation of lands in case of different kinds of properties on them;
- e) to help the compulsory development of rurals, including land reform, the improving of quality of land and diversification of economic activity;
- f) to activate and improve the interaction of research and project-planning activities on regional and district levels first of all in the process of working out the projects of regional planning, transfer of technologies and organization of teaching programmes for supporting the system of management of land resources;
- g) to improve status of projects of regional planning compulsory as a unique complex informational and cartographic system of modelling and conceptual organization of territory and rational land tenure with regard of conditions ensuring of interests and rights of man on living environment which is guaranteed in Azerbaijan by state, the priority and interest of which in rational land tenure forms basis of the steady development of society;
- h) to pass national laws to orientate the state policy on providing steadiness of town development, land tenure and housebuilding and more rational management of the growth of towns;
- i) to use maximally the existing infrastructures in urban regions encouraging more dense occupation of free land plots;
- j) to create administrative and semijudicial local structure as commissions to control the observance of land laws and standards, in order to raise the effect of these norms and presenting of appeals;

- k) to provide creation of effective and available land markets which would respond more sensitively to changes of demand and allow to satisfy the demands of tribal development;
- l) to work out stimulating mechanisms in the field of taxation and measures to control land tenure, including such methods of planning of land tenure to be based on more rational and steady use of limited land resources;
- m) to pay a special attention to satisfaction demands of habitations in investments on the basis of pursued strategies and politics of more active mobilization of resources which would create more favorable conditions for increasing the stream of private investments to urban development in those populated areas where support is rendered to implementation of mechanism of steady land tenure. n) to encourage partner relations between state and private sectors and other subjects of activities and in the sphere of management of land resources supporting the steady urban development;
- o) to work out and render support to realize more perfect practices of management of land resources which would allow on complex basis to satisfy demands in urban lands for house-building industry, trade infrastructure, transport and rest zones;
- p) to assist complex planning of land tenure and transport for encouraging incalculating such models of development which allow to reduce requirements in transport;
- f) to create mechanisms and necessary basis for transparent control on town activity and proper accounts based on use of corresponding indices for determination of town achievements in nature preservation, social and economical spheres.

2.6.2 ADEQUATE LAND SUPPLY

- a) to create organizational frames based on participation in forming the approach of population to steady urban development on the basis of persistent dialogue;
- b) to use stimulating legal and normative mechanisms, based on more broad knowledges of existing practices and mechanisms of providing with land, for stimulation partner relations with private and communal sectors in the process of concrete determination of acknowledged types of land owning and in establishing of procedure of regulating of land tenure;
- c) to render organized support, to increase the local of accounts and transparency of management of land resources, to give exact information about land owning, operations with land, existing and planning types of land tenure, etc.
- d) to work out and implement finance systems in which organizations would be acknowledged as holders of credit, would have the opportunity for granting credits to collectives on collective pledges and would be acknowledged as holders of credit, and would be adopted to necessities of population in house-building with their own forces and to mechanisms through which population get income and provide saving of resources;
- o) to work out and use additional measures in overcoming economic and operative restrictions for public organizations including privileged taxation, educational programmes, technical assistance, allotment of means for technical experiments and implementation of innovations;
- b) consider the opportunity to use tax and other measures for prevent the purchase of unoccupied lands, to assist increase lands for housebuilding;
- g) to work out information systems on land affairs and practical methods to estimate land;
- h) to provide more simple procedures to transfer land and transition to new types of land tenure;

i) to strengthen practices of legal protection of land resources on communal level in existing towns.

2.6.3 CREATING OF LAND MARKET AND ECOLOGICALLY STEADY LAND TENURE

a) to render support to development of land markets by means of effective legislative measures;

b) to work out flexible and variegated mechanisms aimed at land mobilization with different judicial status;

c) periodically carry out estimates of normative frames for planning and building, to correct them taking into account pursued policy with respect to populated areas and preservation of environment;

d) to encourage multi-planness and variegatedness of interference of main subjects of activity acting within the frames of market system;

c) to work out norms of land tenure, aimed at optimization of the right of ownership and providing preservation of environment, bringing to minimum the existing risks and diversification of types of land tenure;

2.7. ECOLOGICALLY STEADY DEVELOPMENT OF HABITATIONS AND THE HEALTH OF POPULATION

The health of population of the republic, as main criterium of the quality of living environment in habitations is closely connected with the steadiness of corresponding ecosystems of their habitations.

Policy of protection of nature and health in the republic is closely connected with the management of the development of ecosystems and provision of health of population not only by treatment methods, but also by preventive measures relying on interconnected plans of action including the goals which reflect the local demands and potential.

Use of a complex approach to provision of health of population with ecologically stable infrastructure, in particular the negative effect on the environment and increase the general level of health of population, lessen the load of expenses on treatment of patients and struggle with poverty.

ACTIONS

2.7.1 POPULATION'S HEALTH IN ECOLOGICALLY SAFE ENVIRONMENT

a) to work out and implement plans of health care on municipal and local levels and strengthen nature protection services in order to prevent decrease the number of diseases, caused by unsafe environment and take measures in case of their beginning;

b) to take measures to prevent and liquidate diseases connected with air, water and soil pollution, to work out respective systems of medical aid;

c) to improve living conditions in order to decrease the risk for health in the first place for women doing domestic work;

d) to create potential on all levels for effective guaranteeing of a safe environment;

e) to raise the degree of awareness on the reciprocal connection between environment and health and develop habits and skills necessary necessary for improving of personal and collective hygiene;

f) development of long-term, short-term and balneological treatment complexes in recreational systems and systems of habitations, especially in areas with high level of urbanization;

g) on the basis of design-planning work of reactional potential of microregions of the coast of the Caspian Sea to begin to create and realize the programme of development of the system of sanatory

treatment, tourism and mass recreation of population by using their location along the route of " The Silk Road ", which lies through Azerbaijan and possibility of stimulating of investments initiated by corresponding international programmes of cooperation;

2.7.2 IMPROVEMENT OF ECOLOGICAL SITUATION AND REDUCTION OF VOLUME OF INDUSTRIAL WASTES AND OTHER SOURCES OF POLLUTION OF HABITATIONS

- a) to work out laws and policy which concretely determine corresponding standards of quality of environment and define the purposes in the field of its improvement and the dates of implementation of the adopted tasks in agreement with national and regional priorities and conditons;
- b) to create, to provide with all the necessaties, strengthen the mechanisms of estimation and control for observing nature protection portative acts and efficiency of their realization on local level;
- c) to establish nature protection norms for choosing a technology and its respective use;
- d) to use promotions and penalties for transition to ecologically safe technologies and processes able to encrease economical oportunities in the fields of ecologically steady technologies and types of safe production and also to contribute to raising attractiveness and competitiveness of settlements from the point of view of investments to economic activitie;
- e) to work out main principles and train specialists for putting into practice the procedures of appraisal of different kinds of influence upon environment;
- f) to spend appraisal of influence upon environment while considering plans and projects in the sphere of development;
- g) to support the mechanisms of consultations and expansion of partner relations between basic subjects of activity while preparing and implementing local plans on protection of nature and concrete intersectoral environment programmes to improve the quality of environment;
- h) to increase the level of awareness of ecological problems and to within communities to developknowledge and practical skills necessary for steady development of settlements;
- i) to initiate the processes aimed at activization of information, exchange of experience and technical aid between local government bodies in order to raise the quality of environment.

2.7.3.COMPLEXITY OF NATURE PROTECTION SERVICES

- a) to re-cultivate the territories poluted by oil products with their further utilization;
- b) to contribute to inculcation of practice and structure of consumption to provide protection of resources of pure water supply;
- c) to provide effective regulation of water demands in order to satisfy the main demands for development of settlements taking to account potential capacity of natural ecosystems;
- d) to work out and inculcate effective technologies of water supply and use of wastes of water cleanings, and also of mineralized and termal water potentials;
- e) to contribute to inculcation of ecologically acceptable methods of sanitarian and treatment and moving off sewages and also utilization of industrial wastes in small urban settlements;

- f) to work out legal tax and administrative mechanisms to provide complex approach to the management of water resources and sanitarian and hygenic measures;
- g) to propose about reduced taxes or creditation for enterprises which take measures to treat wastes;
- h) to create mechanisms able to provide transparent and undercontrol management by infrastructure.

2.7.4 CUTTING DOWN OF TRANSBOARDER POLLUTIONS

- a) to work out proposals on regional and global law mechanisms to implement the 13th principle of the Rio-de Janeiro Declaration concerning government and citizen " responsibility and compensation for negative consequence of ecological damages caused by activities under the authority and control in the districts beyond their jurisdiction " ;
- b) to achieve the closure of Gabala RLS and the Armenian atomic station;
- c) to prepare the proposals on creating and realization of a single programme of protection of the Caspian Sea countries of its basin, Euroasia region and continent.

2.8. PREVENTION AND LIQUIDATION OF CONSEQUENCES NATURAL CALAMITIES

Along with the influence of development of urbanization processes on ecological system of the republic, Azerbaijan to a certain degree is exposed to influences of natural environment which destroys settlements and economic activities of man in territories covering several microregional systems of habitations in the republic at the same time, most of all along the whole coast which is submerging with the rise of the Caspian Sea.

Demages inflicted by the rise of the level of water of the Caspian Sea

Names	Unit measure	Quantity
Submerge:		
1. Coastal territory	1000 ha	70
2. Habitations	unit	50
3. Industrial and other enterprises	unit	250
4. Rail way route	km	114
5. Motor transport route	km	240
6. Arable lands	1000 ha	45,5
- including irrigated lands	1000 ha	10
Economic damage	\$USA billion	12,2

Spatial development of urbanization processes widen the territories subjected to the influence of exogenic processes. Big subway regions and megapolicies are fraught with the dangers of largest human, material and production losses in the case of natural or anthropogenic calamities. The character and the scale of natural and anthropogenic calamities in these conditions exceed the limits not only of sepearate administration units which are not able to secure the the protection of its territory and population by own forces but micro-regional systems of habitation and the republic as a whole.

The basis of policy in the republic in this direction is the creation of systems of warning, rapid reaction to render help in extreme situations and urgent liquidation of consequences of all types mass calamities. Formation of microregional systems of habitation and a suitable common system of management allow to secure elaboration of a common programme of protection to take forces and means of the whole system, consolidate efforts and coordinate actions to render the first aid on local level in difficult situations.

It is necessary to realize concrete steps for creation of necessary mechanisms on securing population's readiness and also for voluntary collaboration to help and take appropriate measures in case of calamities which would allow to co-ordinate their actions on the stage of planning and would be quite flexible for practical use in close collaboration with all common groups.

In solution of this problem it is necessary to rely on the help of world community countries with developed systems for such protection and also states subjected to one, or some of these factors, in particular countries of the Caspian basin interested in unification of potentials for solution the problem of the rising of water.

ACTIONS

2.8.1. PROTECTION OF HABITATIONS AND TERRITORIES FROM THE RISE OF THE LEVEL OF THE CASPIAN SEA

- a) to work out general a programme of protection of the sea-coast of the republic from submerge;
- b) to prepare proposals on gradual and timely re-dislocation of settlements, population, production objects and objects of life-support, transport and energy supplying communications with territories not needing protection;
- c) to speed up the building of coastal systems, by appealing to financial and technical assistance international cooperation.

2.8.2. LOWERING THE DANGER OF NATURAL CALAMITIES

- a) to create state systems of preventives measures to secure the population's readiness, first aid and liquidation of consequences of extreme situations coordinating functions and responsibilities of newly created services;
- b) to develop systems of seismological and other sorts of monitoring of exogenic processes for providing possibility of forecasting and warning of population by joining it to analogical international and continental systems;
- c) to create universal information system of risks, which may be connected from the point of view of mastering unsafe natural calamities of districts and use it in planning and projecting of habitations;
- d) to encourage and to support solutions not connected with large expenditures and easily realizable in practice and in novatory approaches to reduce high risks to which vulnerable may be subjected including mapping of zones of risk and carrying out the programme on reducing the degree of vulnerability of concrete communities;
- c) to support and to encourage all forms of civil society organization for taking part in carrying out such measures on preparation to natural calamities as a creation of water reserve, foodstuff fuel, and means of the first aid;

- f) to promote researches on technical, social and economical aspects of restoration works after natural calamities and take effective strategies and leading principles, restoration works and transmigration of settlements;
- h) to create reliable mechanisms of communication, reaction and adoption of decisions on local and communal levels;
- i) to work out plans of action for predicted circumstances, to create means and mechanisms of special crediting for rehabilitation, restoration works and dislocation of population;
- j) to strengthen the scientific and engineering potential for estimation of losses, monitoring and use of special methods of rehabilitation and restoration works;
- k) to render assistance to all corresponding principal subjects of activity and realization of measures to render first aid, rehabilitation and restoration;

2.8.3. IMPROVEMENT OF PREVENTIVES MEASURES

- a) to adopt corresponding standards, norms and resolutions in respect of land tenure, building and planning, based on estimates of experts and provide their observance on practice;
- b) to encourage constant mobilization internal resources for measures to reduce danger of calamities;
- c) to assist collection of information on calamities, methods and technologies, building of houses and public objects and spread this information;
- d) to work out the programme of reconstruction of living houses, which have lost their constructive stability, in the first place, the first mass series of large-panel house-buildings with the account of providing of move of families, exposed to danger mostly;
- e) to work out teaching programs for planners, contractors and builders, to acquaint them with methods of building, developed by taking into account the possibility of natural calamities;
- f) to take measures for physical durability of main links of infrastructure of life support systems and objects of vital importance, paying special attention to measures of against the repeated disasters and, or take measures for emergency assistance.

2.9. DEVELOPMENT OF INFRASTRUCTURE OF ENGINEERING INSTALLATION OF TOWNS

The basic criteria of quality of maintenance of living environment in the republic is the spectrum of possibilities to satisfy the physical needs of people without harming the health and ecological situation, it is also determined by the capacity of the system of engineering facilities for providing with pure water, medical care, transportation of wastes, transport and communications, electric power, immediate medical care and emergency works, schools, system of maintaining of the public order and rational using of open spaces.

It is necessary to concentrate efforts to get the available potential of infrastructures to the condition of providing the standards of maintenance of living conditions of central towns as well as of the adjoining territories and infrastructure of system of settlements. It is also necessary to work out the policy of government and the program of state budget to stimulate spontaneous development of municipal economy of settlements.

Introduction of improved technologies must become a basis of the policy of developing of infrastructures of engineering installations of settlements in the republic.

2.9.1. DEVELOPMENT OF THE MUNICIPAL WATER-SUPPLY AND SEWERAGE

The factor of functioning of the system of watersupply and sewerage in settlements, providing the full cleaning of sewerage in volumes according to its parameters must be one of the components of engineering infrastructure development index when ranging the status of a town.

ACTIONS

- a) to supply the population with safe water in sufficient quantity and easy access to it;
- b) to expand and reconstruct water-supply and sewerage systems of urbanization centres of the republic;
- c) to stimulate the development of water-supply and sewerage systems of supporting centres of microregional systems of habitations;
- d) to establish conditions and dates of solving the problems of creating and putting into exploitation watersupply and sewerage systems in settlements pretenting to preserve the status of towns;
- e) to search and introduce technologies of transportation and cleaning of sewages available for realization in small towns;
- f) to elaborate and introduce of watertreating methods and use cleaned water and available potential of mineralized and thermal water;

2.9.2. STABILITY OF POWER SUPPLY

The problem of stable development of the republic in conditions of its steady urbanization is a problem of power supply. The centres of urbanization become "black holes" of nature resources consumption that cause lots of bad consequences for the main components of natural environment. At the same time up-to-date technologies and public information are able to create the required conditions to introduce more effective forms of practice and new-methods of energy production and usage. Policy in settlement field and energetic policy must be coordinated especially in the energy consumption in production, transport and domestic purposes. It's important especially for Azerbaijan having great choice of energetic resources that imposes additional responsibility for government structures for rational utilization of unrevived natural resources that are the property for descendants.

ACTIONS

- a) To work out conception for fuel-energetic supply for republican requirements, implying determination of balance of future republican requirements, available resources and technological progress, search and realization of projects on optimization of these resources usage including utilization of alternative sources of supply and proper development of infrastructures;

- b) To use geographical position, development of transportation system and natural gas resources creating potential to turn the republic into the regional centre of arranging its transit with proper commercial benefit;
- c) to assist to take decisions in urban planning and design sphere which would take into account the rational utilization of energy;
- d) to pursue the price formation policy and to take normative measures in energetics which would promote the utilization of revived power sources and rise of effectiveness of its consumption in populated regions;
- e) to promote the utilization of energy saving systems in cities in particular by introducing innovatory energy saving methods of production, distribution and consumption of energy as combined systems of heating and cooling working on the principle of utilization of heat loss, simultaneous production of heat and electric power, utilization of revived energy sources, in particular thermal waters and proper technologies;
- f) to introduce or correct fee for extra normative consumption of energy and utilization of other actions aimed at providing rational utilization of energy in domestic conditions;
- g) to stimulate the utilization of energy saving and ecologically clean technologies in reconstructing the existent and forming the new fields of industry and enterprises in service sphere by means of privilege taxation;
- h) to support programmes aimed at reduction of existing gas gush during production, transmission and utilization of electric power;
- i) to encourage the utilization of solar energy, passive ventilation and more qualitative isolation of buildings in order to reduce the consumption of electric power in buildings;
- j) to stimulate the utilization of industrial and agricultural waste and other types of energy saving and recirculating building materials in construction;
- k) to encourage and develop spreading new technologies and the best forms of practice in the field of energy utilization.

2.9.3. IMPROVEMENT OF TRANSPORT INFRASTRUCTURE OF SETTLEMENTS

The policy and planning in the field of transport and planning organization of settlement territory, settling system, in particular, traffic system must be aimed at rationalization and reduction of poor consequences.

Transport is one of the main consumers of unrevived kinds of energy and earth and one of the main reasons of pollution, overload and traffic transport incidents.

Paramount must be paid to reduce requirements in towns on the basis of introduction of proper models of city territory and such policy in city transport field that make it possible to use those vehicles which are less harmful from ecological point of view and have less negative influence on environment.

ACTIONS

- a) to work out projects of reorganization for transport system of the largest towns of the republic and traffic organization on the basis of general plans of their development;

- b) to support the usage of integrated approach to work out possible versions of technical solutions;
- c) to encourage such urban planning that makes places for work, shops, service centres and places for rest possible to draw near dwelling districts to reduce the need to go for a trip and that can be done by coordination of policy in land use field with planning in transport field;
- d) to stimulate the usage of optimal combination of vehicles including movement by walk, by bicycle and public transport, in conducting the proper price policy, in using proper spatial solutions during planning populated areas of development of public bus, trolley-bus and tram garages in the centres of urbanization development of Azerbaijan;
- e) to include in city development programmes the reconstruction of transport communication system and service infrastructure including parking, storing, repair services and taking into account the possibility to use underground areas;
- f) to act against more active usage of autotransport and overload of road system which are harmful from ecological, economical and social points of view and prevent to use other vehicles;
- g) to reduce overloads of road system created by motorized transport which damage environment, health and population safety and prevent to use other vehicles by conducting the proper price policy, rational arrangement of movement and parking, proper planning in field of land use and use of methods making it possible to reduce hardness of transport stream and also in encouraging use of effective alternative vehicles especially in the most overpopulated districts;
- h) to provide effective and available system of public transport that makes it possible to satisfy the main needs of population and to serve the great part of passengers;
- i) to encourage, regulate and put into practice high effective technologies including economical engines, control over observance of waste standards and use of alternative kinds of fuel and power sources;
- j) to encourage and develop access of population to electronic information services which reduce the need to move.

2.9.4. INFORMATION AND COMMUNICATION

More perfect up-to-date technology in the information sphere must be properly used to store and spread moral values, to improve education and professional training, to raise the level of public information about social, economic and nature protection problems influencing on life standard, and to create favourable conditions for access for all key individuals of actions and communities to share practical experience and to provide populated area with functioning including methods aimed at protection of children's, women's and other weak groups' rights in intensive urbanization context. The required investments in information technologies and infrastructure create possibilities for their effective use by citizens, essential rise of productivity in industry and activization of trade and commercial activity.

ACTIONS

- a) To upgrade the quality of information infrastructure and technologies and to encourage the government departments of all levels, state institutions and social organizations to use them;

- b) to stimulate the creation of combined computer systems of information at all levels of government and municipal management;
- c) to carry out training for key individuals of actions on problems of using information technologies;
- d) to improve methods of experience exchange on the basis of using electronic communication means as "Internet", information networks and libraries in regard to initiatives at local level;
- e) to encourage children, youth and institutions to use public libraries and information networks;
- f) to create favourable conditions for the process to acquaint on the basis of spreading information about positive and negative experience of activity in government, social, private and community sectors in the field of populated area;
- g) to encourage policy aimed at granting and extending access for population to information technologies and free information in such fields as state policy, taking decisions and resource distribution, access to this information.

2.9.5. EFFECTIVIZATION OF ENGINEERING INFRASTRUCTURE FUNCTIONING

In Azerbaijan it is necessary to enlarge the circle of members participating in organization and development of engineer equipment systems and improvement of settlements in involving business, private, common organizations and sponsors to consolidate efforts in order to decide problems of rising level of corresponding infrastructure development.

ACTIONS

- a) To involve local communities to take decisions and determine priority in service sphere;
- b) to create mechanisms stimulating transmission of service functions to a lower level of management on the basis of independence, transparency and control over this activity;
- c) to encourage private sector to participate in granting principle services on competitive basis;
- d) to promote the application of proper and ecologically stable technologies in the sphere of population service with orientation to achieve maximum profitability;
- e) to create and improve normative base to make partnership contacts with private sector in the field of population service;
- f) to conclude treaties with community groups about construction, current exploitation and technical service of infrastructure objects and enterprises of the service;
- g) to recommend local communities to set up norms for enterprises of municipal service and provide their usual functioning and maintenance;
- h) to support efforts of scientists and expert groups aimed at analysing requirements in infrastructure and services on community level;
- i) to create favourable conditions to mobilize means of all main individuals of activity in order to increase investments in this sector;
- j) to create additional mechanisms making it possible for the poor categories of people to have access to the main services and infrastructure;

k) to conduct dialogue between all members of activity on local level to assist the population in providing principal services and infrastructure.

2.9.6. COLLECTION AND REMOVAL OF SOLID WASTE

Keeping the proper medical and sanitary conditions for residence in the territory of cities and the proper level of environment is determined by infrastructure of collection and removal of solid waste from functioning of the enterprises of cities and vital functions of population.

The cardinal solution of a problem is introduction at the enterprises technologies without waste, complexes on refining and removal of unutilized industrial and toxic waste.

However, this ecological privilege is permissible to states not being in economic crisis having no need to repulse and liquidate external aggression consequences.

ACTIONS

- a) to construct garbage processing plants in the centres of microregional systems of settling;
- b) to separate garbage economic and ecological effect while utilizing everyday waste;
- c) to complete design and to construct ground to bury toxic waste;
- d) to create enterprises for using solid everyday waste as the biological gas source.

2.10. PROTECTION AND RESTORATION OF HISTORICAL AND CULTURAL LEGACY

Strategy and policy of state and local authorities should be aimed at intensification and rise of role and importance of historical and architectural legacy in particular taking into account the necessity to protect cultural originality and continuity in rapidly changing world. Architecture and culture monuments must be regarded not as an evidence of people's memory, humanitarian development of the society and level of its civilization but as an important economical resource of stable development of cities and republic in general.

2.10.1. REORGANIZATION OF PROTECTION MANAGEMENT AND RESTORATION OF TOWN BUILDING AND ARCHITECTURE MONUMENTS

The policy of restoration and use of town building and architecture legacy being an integral part of cultural legacy is still an important element of man's habitation. The solution of these problems is in sphere of professional activity connected with providing the required standards for living, developing engineer improvement, reliability of such objects as town building reserves, architecture monuments which continue to function for their main purpose and so. on. Architecture and town building monument system should be connected to its functional planning structure and constitutes its integral component having no difference on the level of living conditions of population from modern habitation. Thus, this sphere of activity is an integral part of the suggested above system of unified control of government body and regulation habitation in Azerbaijan settlements.

ACTIONS

- a) to include services for protection and restoration of town building and architecture monuments in the structure of government regulation of processes of habitation development in the republic;
- b) to improve stimulation mechanisms for state and private construction companies insuring protection and restoration of historical legacy;
- c) to encourage and support cultural institutions and associations on their places in their efforts to restore and reconstruct the proper objects;
- d) to promote activity on common level aimed at protection, restoration of dwellings;
- e) to support partnership relations between state and private sectors for the good of the restoration of historical part of towns and dwellings;
- b) to promote spreading of the information to population with the purpose of increasing the importance of efforts to protect legacy and provide a reliable financing of restoration works.

2.10.2. HISTORICAL AND CULTURAL CONTINUITY SUPPORT

- a) To secure elaboration and observance of regime of functioning of historical and cultural reserves in towns of the republic;
- b) to determine historical significance for construction of places and landscapes that is important for spiritual growth of the society;
- c) to prepare suggestions to allocate and observe regime zones of architecture monument protection;
- d) to work out projects of regeneration of historically valuable building of towns-reserves, first of all, of Shusha desecrated by Armenian aggressors and protection of historical forms and structures of settlements and landscape which would make it possible to keep integrity of historical structure of town and serve as reference points in erecting new objects in historical places;
- e) to provide the equivalent legal and financial support to protect and restore measures and observe monument use regime;
- f) to provide the proper consideration of ecological problems in working out protection and restoration projects;
- g) to carry out policy in transport sphere aimed at impossibility of degradation of environment in regions which are of historical and cultural importance.

3. PROPER INHABITED PLACES FOR EVERYONE

One of the main conditions for stable development of settlements and society as a whole is housing strategy based on the full mobilization of all potential internal resources. Management of these resources should be rational from ecological, social and economic points of view. It is possible if policy and measures in housing sector are closely connected with activity aimed at assistance to provide stable development within the whole country. Integration of housing policy into the main directions of activity, determining macroeconomic and social development and rational use of environment is the main task in this sphere. The necessity determining macroeconomic and social development and rational use of environment is the main task in this sphere. The necessity to submit the state construction and economy of the republic to the tasks of aggression held up the decision of the problems of working out and realization of state strategy in social housing construction. Reconstruction of structure of state management has become imminent, that rules out duplication of functions and absence of proper bodies aimed at providing conditions for development of inhabitation of a person and connected with it the working out and realization of housing strategy and reforms.

The basis for conception of housing reform in Azerbaijan is the development of all possible forms, types of property and house fund utilization providing satisfaction of needs of all social layers of society in wide range of combination of inquires, economical possibilities, social guarantees and town building situations.

The corner-stone in supplying the proper dwellings for everyone is working out and systematic reviews and revision of national policy in house sphere with the purpose to create effective systems of housing supply. The basic principle of working out a real housing policy is its close interconnection with general macrolconomical policy and social development policy. Though housing policy is basically aimed at creation of the required limits to meet increasing demand for housing and infrastructure, considerable attention must be also payed to more active use of housing fund and various versions of leasing to meet the needs of population.

The policy should encourage and support the people who are the main producers of dwelling that work individually and collectively. The policy should be aimed at meeting needs of the poor, refugees, women, displaced migrants and representatives of layers living in unfavourable conditions, in poor built houses and scattered settlements.

The important mechanism for housing support is creation of the required opportunities for effective functioning of house markets. However, specific features of Azerbaijan as a country with postsocialist system, stable principles of social justice and level of development of housing provision define peculiarities for transfer to the market in this sphere. It's a wrong opinion to refuse completely from advantages and achieved level of settled system and to keep preference of orientation to anarchy of market relations in housing sphere fraught with dangerous increase of social tension in society and discontinuing of economical reforms. It is necessary to have balanced combination of market principles of housing construction development with efficient state control and activity coordination and also social guarantees for housing support for poor people from state as the state continues to be a warrant of human rights to life and so to house.

ACTION

3.1. REFORM OF THE SYSTEM OF PROVIDING WITH DWELLINGS

The main purpose of housing reform in Azerbaijan is creation of conditions for free choice of proper dwellings and support for comfortable living environments equivalent to man's needs and possibilities.

One of the main tasks in providing with houses the population in the republic is the restoration of dwellings lost as a result of aggression and return of them to refugees from Armenia who refused to return back to the land of their ancestors because the Armenian state policy of national hatred, intolerance and discrimination against the Azerbaijani population.

Among the most important tasks of house reform is working out legislative and normative acts defining juridical and economical reorganization of dwelling sphere, working out mechanisms of use and solution of problems of property on land and operations with real estate, preparation of a project and putting into action the law about suburban zones of towns and regulation in using territories within their limits, introduction of responsibility for non-observance of town building requirements while constructing settlements;

- improvement of construction financing system and housing maintenance, insertion of changes and additions in system of tax legislation aimed at conditions to attract non-budget allocations into housing sphere, to introduce new kinds of crediting, in particular mortgage;
- reorganization of structure of state system control and activity coordination, legal and information support for construction process, monitoring and analytical assistance to its realization;
- creation of conditions to realize all kinds of sale and purchase, leasing, formation of republican market of real estate in housing sphere and others.

As the main directions in development of housing reform till 2000 it is reasonable to suggest the following:

- a) to form a single organizing section in state management structure by developing social and housing support;
- b) to work out conception and programmes of development of houses and housing construction in the republic;
- c) to include housing reform in state programmes of economic development of the republic;
- d) to develop and improve legislative and legal base of housing reform, including the acceptance of social guarantee and decision of the problem of property on land;
- e) to organize a market of real estate in housing sphere;
- f) to hold up the falling-off of production and disintegration of construction complexes;
- d) to reorganize and modernize logistical base of construction industry;
- h) to reorganize and support systems of project production, excluding isolation and inconsistency of elaborations, preventing professional degradation of engineers and loss of national intellectual potential to solve construction problems;
- i) finance and tax reform in housing construction and available housing maintenance including creation of credit and tax privileges stimulating budget allocations, mortgaging mechanisms of financing housing construction, system of house payment;
- j) to increase effectiveness of use of state investments in housing construction complexes.

3.1.1. INTEGRATION OF HOUSING, MACROECONOMICAL, SOCIAL AND ECOLOGICAL POLICY

- a) To reorganize structure of state management by system of developing housing policy having concentrated all services and bodies of regulation consisting of one body which determines strategy of development of environment including all its infrastructures;

- b) to create and introduce mechanisms of consultations between government bodies responsible for economical, ecological, social and housing policy and also for policy in the sphere of populated areas in coordinate activity in housing sector on the concerted basis including market state definition and establishment of criteria to allocate subsidies;
- c) to take into consideration the influence of macroeconomical policy on functioning of housing support systems taking into account their special interrelations;
- d) to increase the role of housing policy in creating new places for work, mobilizing resources, protection of the environment, stimulation and support for measures to provide stable social and economical development;
- e) to put state policy into practice including taxation and planning that stimulates stable functioning of house markets and development of new areas for construction;
- f) to coordinate housing policy with policy aimed at reduction and protection of vulnerable groups of population;
- g) to improve information systems on housing problems and to use the results of corresponding scientific research works while working out the policy.

3.1.2. IMPROVEMENT OF THE SYSTEM OF DWELLING PROVISION

- a) to work out conception and programmes of housing support of population till 2000 and next years with the proper structure of housing construction;
- b) to establish scientifically founded norms of guaranteed housing right;
- c) to use stimulating approach to development of housing construction in rural and urban regions;
- d) to define main spheres for distribution of natural, human, technical and finance resources;
- e) to work out and support the proper organizing frames necessary to assist investing in housing construction in rural and urban regions which is done by private sector;
- f) to prepare suggestions to develop social guarantees for needy families in realization of their right to house by granting free or cheap houses in municipal available housing, privileged provision of houses to people in of priority order;
- g) to review and if necessary correct legal tax, and normative frames for satisfaction of needs of poor people and population groups with low income;
- h) to conduct systematically reviews of policy and systems of housing financing, taking into account their influence on protection of environment, economical development and system of social support;
- i) to assist the elaboration and adoption of policy aimed at coordination and encouragement of proper suggestion of water resources necessary for construction of houses and infrastructure such as land, finance, building materials and so on.

3.1.3. SUPPORT OF PROPER QUALITY OF HOUSE MAINTENANCE

- a) To prepare a programme of inventory and reconstruction of houses and buildings on projects of mass construction of 50 applicable to the requirements of building seismological stability;
- b) to work out programmes of reorganization of districts of informal building of towns and support the security of citizens living in zones liable to catastrophies (in particular sanitary protection strips,

of fire danger main roads, lines of electric transmission of high voltage, oil-field territories and so on);

c) to provide preparation of the programme and realization of projects on modernizing available housing of the republic on a scale exceeding rates of its natural amortization;

d) to improve normative methodical base of housing;

e) to initiate elaboration of housing projects with the use of energy saving technologies of planning organization of apartments in specific conditions of various regions of the republic;

f) to ban by law realization of apartment in specific conditions of various regions of the republic;

g) to ban by law realization of mass housing construction without proper preliminary provision of engineering equipment of the territory and social service of population.

3.1.4. STIMULATION OF INTERSECTOR APPROACH TO SOLUTION OF TASKS

a) To coordinate housing policy with policy in regional and urban planning sphere, development of populated areas, land use and infrastructure;

b) to create the required mechanisms for coordination and decentralization defining responsibility of local authorities in the process of working out the policy;

c) to use in the process of working out the policy of mechanisms to attract population and consultations with participation of representatives of government, private, non-government, cooperative and common sectors at all levels;

d) to work out and adopt normative frames and give organizational support for more active participation and establishment at all levels;

e) to develop new forms of common housing possession in particular condomini-intellects;

f) to take into account principles of ecological stable development while working out and realizing housing policy;

d) to encourage development of ecologically stable and inexpensive construction and also production and distribution of proper building materials, including extension of production of local building materials on the basis of maximum use of available resources in localities.

3.1.5. IMPROVEMENT OF EFFECTIVENESS OF HOUSE MARKET

The housing sector after the most part of population of the republic raise their incomes above poverty line and get access to individual houses, should be regarded as one complex market, in which the tendencies inherent to in one of its components, influence the effectiveness of activity of other components.

The interference of government at this stage of reform is necessary to satisfy the needs of poor people and vulnerable groups of population which do not use market services. To solve the problems of house market it is necessary to suggest the following;

a) to stimulate intensification of housing privatization;

b) to carry on housing supply and demand evaluation, to collect, analyze and spread information on house markets and other mechanisms for housing support and to encourage private sector and mass media for this kind of activity;

- c) to avoid groundless interferences leading to disproportions in demand for houses and services for their supply and to make review and correction of legal and normative frames including those ones which concern conclusion of agreements, land use, construction codes and norms;
- d) to use the proper mechanisms of laws on property, norms to evaluate property cost and other with the purpose of determining property rights;
- e) to take away restrictions on housing and land exchange and apply procedures providing transparency and control operations with a real estate with the purpose of corruption impossibility;
- f) to apply the proper measures of fiscal character, including taxation aimed at stimulation of housing and land supply.

3.2. MOBILIZATION OF FINANCIAL SOURCES FOR HOUSEBUILDING.

In order to mobilize a greater volume of national and international resources with the purpose of to finance housebuilding and giving credits to more housing enterprises it is necessary to intergrate housebuilding finances into much wider financial systems, to orientate subsidy towards the categories of population, unable to use market services, and to create new mechanisms to meet growing needs of people who have no access to any credits.

3.2.1. IMPROVEMENT OF ORGANIZATION OF FINANCE.

- a) to amend financial and tax policy, so as to make it stimulate the competitiveness in mobilization of resources and creation of favourable conditions for wider use of credits by the poor layers of population and preservation of credit systems stable;
- b) to increase efficiency of existing systems of financing of housebuilding;
- c) to extend access to systems of housebuilding finance by elaborating new forms of credits and mortgages;
- d) to ensure wide use of reliable and acceptable, from ethnical point of view, methods of financial operations of supported from effective legislative normative mechanisms;
- e) to establish rights of ownership and ensure strict observance of laws, regulating the loss of right to redeem the mortgaged property, with the purpose of creating favourable conditions for the private sector participation;
- f) to encourage the private sector to mobilize resources for meeting various demands for dwelling houses, including lease houses;
- g) to support competitive mortgage markets, and in case of necessity to promote development of secondary markets and systems of ensuring obligation;
- h) to decentralize its credit activity and to encourage the private sector to similar measures, in order to broaden physical access to credits, especially in the rurals;
- i) to encourage all credit enterprises to improve their functioning and efficiency of their financial operations;
- j) to encourage the communal mortgage programs, accessible to the indigent women.

3.2.2. IMPROVEMENT OF THE SYSTEM OF THE MECHANISM OF FINANCING

- a) to use the potential of non traditional machanisms of finance by means of encouraging the communities to create housebuilding co-operatives and to multi aimed communal development, first of all in the interest of providing the population with dwelling houses for reasonable prices;
- b) to reconsider and strengthen legislative normative frameworks and organization basis for mobilization of nontraditional creditors;
- c) to encourage, specifically, by means of elimination juridicial and administrative obstactes, development of savings and credit cooperative societies, "credit unions", cooperative banks and cooperative insurance companies;
- d) to maintain partners' relations between such cooperative enterprises and state financial enterprises for effective mobilization of local funds and their use for communal and entrepreneur activities on the local level for the purpose of development of housebuilding and infrastructures;
- e) to encourage trade-union, farmers, women and consumers organizations, as well as other associations of cretain layers of population to organize their own financial establishments and mechanisms on cooperative basis;
- f) to promote the exchange of information on innovatory approaches in the field housebuilding finance;
- g) to ensure acceptable correlation between the prices of dwelling houses and incomes which increases the accessibility to dwelling houses.

To make the access to dwelling houses for those layers of population not provided with existing finance mechanisms easier, it is obligatory to consider and to rationalize subsidy systems on the basis of the policy which would ensure stability, justice and transparency in providing the subsidies, due to this, many of those people who have no access to credits and land, would be able to participate in market relations.

3.3. STIMULATION OF HOUSEBUILDING

Provision of population with dwelling houses under the circumstances of high rate of natural increase of population of Azerbaijan and formation of young families directly dependends on conditions of relevant development of housebuilding and house fund of the republic. The above given analysis of housebuilding development in the republic witnesses that the existing capacity of building resources in the republic enables to provide the annual increase of housing fund approximately by 1 mln. sq.m Besides, development of national building industry creates a potential of economic profit- a seven fold increase of GIP per every unit of investments, and at the same time, a social effect to expand the labour market favourable for the prevailing contingent of labour resources in the respublic.

It is necessary to use completely the potential capacities of existing housebuilding industry from the point of view of creation the new jobs and receiving the other socio-economic benefits, to reduce to reasonable level its negative effect on the environment and to increase its contribution to the common economic growth. Besides organization of support in the form of inspection of norms and standards of quality by paying special attention to health protection and cousumers' interests in urban regions.

Using the state policy, as well as private investment, it is necessary to ensure an equivalent offer of building materials, technologies and continuous finance, so as not to allow formation of narrow places and disproportions, hindering economy development of economy in the rurals as well as on national levels. Wide competitive use of local building resources and reduction of prices by contracting organizations make it more accessible for categories of population with low income. Increase in quality and reduction of the cost of final production, will enable to widen the national housebuilding market providing more comfortable living environment.

3.3.1. REORGANIZATION OF BUILDING PRODUCTION

- a) Structural reform of building production on the complex formation principle, providing optimization of investment regime and increase of efficiency of activity, including its projected infrastructure;
- b) improvement of normative-methodological basis of designing and construction;
- c) to strengthen the state potential as well as that of the private sector for development of infrastructure on the basis of inculcation of profitable methods which require considerable working power, contributing to formation of new jobs;
- d) to work out mechanisms of encouragement of engineers, architects, designers, contractors and customers for inculcation of energy saving decisions, structures and sites on the bases of the use of local resources, chiefly, as well as reduce of energy consumption at the sites, which have already been put into operation;
- e) to strengthen both normative and inspection systems and increase transparency of their activity;
- f) to make a joint reviews with specialized companies and correction of building codes and norms, proceeding from present standarts of design works, building and projecting, local conditions and convenience of management, taking as the bases the introduction of quality norms;
- g) to strengthen the potential of educational institutions and non-governmental organizations for increase of suggestion of skilled worker in building and to promote production education and introduction of corresponding extra payment to salaries;
- h) to use communal agreements and to attract the informal sector available for building, technical servicing and rebuilding of dwelling houses and local enterprises of service sphere, first, in settlements with low level of income, payining a paramount attention to local population participation and, consequently, receiving benefits by local communities in short-term and in long-term perspectives; i) to maintain initiatives of the private sector, aiming at along for building of new sites before putting in operation the ready ones under the reasonable percentage;
- j) to assist the groups of specialists who render subsidizing technical aid on questions of building, management as well as organizations or the communal level, non- governmental organizations and other enterprises, carrying out the programmes of selfassistance and communal development.

3.3.2. DEVELOPMENT OF PRODUCTION BUILDING MATERIALS

- a) to encourage and to maintain formation and broadening of ecologically stable small enterprises on production of building materials by means of using stimulation-levers of law and taxation and credits;
- b) to fix the norms, ensuring honest competition inside the building materials markets with more active participation of local producers and to create state mechanisms of control over actual observance of these norms;
- c) to promote information exchange and influx of relevant ecologically stable technologies and to create favourable conditions for handing the technologies over;
- d) to encourage and support scientific research and elaboration of production of new building materials, completely using the experience, accumulated on the regional level, and introducing the effects of these elaborations into commercial production;
- e) to revise and accept the standarts and normatines in the field of building, in order to sanction and to activate the use of inexpensive building materials in housebuilding and in the framework of public building works;

f) to settle partners' relations with the private sector and non-governmental organizations for creation of production mechanisms on commercial basis of the main building materials for the programmes of self-assistance in the sphere of building;

g) to evaluate systematically the progress in realization of the above stated tasks.

3.3.3. ECOLOGIZATION OF BUILDING.

a) State management integration by means of development of quality of environment and building production in the structure of a single organ;

b) to activate and maintain research activity, aimed at the search of substitutes of non-renewed resources and to strive for optimal use of such resources as, first of all, mineral raw fuel, seeking the reduce of contamination in the result of their use and paying special attention to recirculation, second use of industrial wastes and more active restoration of forests;

c) to encourage and develop the adoption of energy-saving and ecologically stable and safe production technologies in combination with adoption of relative norms and effective regulation measures;

d) to improve the system of use of surface as well as depths of territory for mining building resources, paying special attention to necessity of excluding many of them from the category of "widely spread".

e) to harden control and to increase the level of responsibility for violation of legislative principles of ecologically safe building activity by means of strengthening the system of state combined supervision of observance of national interests in the sphere of adherence to technology, labour security and nature use;

f) to accept and practically use such methods of refining of mineral resources both by close and open methods, which will enable to minimize the damage to environment.

4. INTERNATIONAL COOPERATION

Realization of the task of localities and transformation of localities to more favourable habitations for people's health, to safe, more harmonious and stable dwelling places is a direct contribution to the cause of achievement of peace, justice and stability on the earth. International cooperation is acquiring an additional meaning and capacity in the context of last tendencies and in globalization of peaceful economy. In this connection it is urgent that the international community should take concrete steps on seeking and creating new forms of cooperation, coordination and investment aimed at effective assistance to improve living conditions in populated areas.

This assistance is of primary importance and necessary for Azerbaijan who experiences crisis, common to countries in transition period, as well as the yoke of problems, connected with the military aggression of Armenia. International assistance to Azerbaijan is urgent now, when more microregions of the coast are being flooded by the Caspian Sea, the level of which is rising.

It's urgent to elaborate a new framework for international cooperation in the field of habitation s development and their management, so as they will stipulate active participation of state bodies of every level, private and cooperative sectors, nongovernmental and communal organizations, in adopting decisions, working out a new policy and distribute the resources. This framework must also include perfect forms of cooperation and coordination between multilateral and bilateral enterprises, dealing with rendering aid, including exchange of experience within the regions, constant improvement of such means and instruments of policy elaboration, planning and management, habitation and urban indices, development of human resources and increase of organizational potential. International community, multilateral and bilateral enterprises inclusive, dealing with rendering assistance is of great importance in ensuring for the sake of attaining the aim of populated location development.

ACTIONS

4.1. ASSISTANCE IN OVERCOMING THE COUSEQUENCES OF TRANSFORMATION PERIOD

- a) to assist in establishing frank, just, based on joint actions and mutually beneficial international economic relations;
- b) to stimulate development of enterprises, efficient investment activity, direct financial aid exchange of industrial technologies and broaden access to open dynamic markets in the interests of stable development of populated areas;
- c) to create favourable conditions for coordination of macroeconomic regional and international levels for the purpose of assisting to establish economical order which greatly favours to stable development;
- d) to ensure effective use of benefits from the growth of world's economics for the increase of living standarts in populated locations of countries with transition economy;
- e) to render financial support to realize the adopted programme of action on improvement of living environment and steady development oftowns and supply with adequate dwellings all the needy in accordance with the proposed table.

Parameters of the programme of action for the development of the infrastructure living environment of habitation of Azerbaijan to 2000

Demands in dwellings to 2000	Number of families	Area in 1000 sq.m	Dwelling	Cost \$ USA million
Provision of population with dwellings including	262508	15846.5	262508	5546.3
1.Registered for getting residences	147100	8826.0	147100	3089.1
2.Victims and invalids of the Armenian aggression in Garabakh	13108	786.5	13108	275.3
3.Removal of families living in houses of mass series of I generation of model construction	28900	1734.0	28900	606.9
4.Removal of families from informal, old, wrecking houses	75000	4500.0	75000	1575.0
including towns with over 50000 population				
Baku	152268	9136.1	152268	3197.6
Nakhchivan	2887	173.2	2887	60.6
Ganja	22812	1368.7	22812	479.0
Sumgayit	25260	1515.6	25260	530.5
Mingachevir	9299	557.9	9299	195.3
Ali-Bairamli	4217	253.0	4217	88.6

Demand of medical enterprises in Azerbaijan to 2000

	Units of measure	Indicators
Hospitals	bed	74577
Polyclinics	visits in 1 shift	102659
Demand:		
in hospitals	bed	3800
in polyclinics	visits in 1 shift	8500
Cost of construction	in \$ USA	1200.0
Including in towns with population over 50000		
Baku	bed	1700
	visits in 1 shift	1200
Nakhchivan	bed	180
	visits in 1 shift	500
Ganja	bed	200
	visits in 1 shift	500
Sumgayit	bed	250
	visits in 1 shift	600
Mingachevir	bed	180
	visits in 1 shift	500
Ali-Bairamli	bed	150
	visits in 1 shift	600

Demand in schools of general education (SGE) in Azerbaijan to 2000

	Units of measure	Indicators
Pupil seats in sge	1000 seats	1198.6
Share of pupils attending school in the second shift	%	20.6
Demand in construction of sge	1000 seats	200.0
Cost of construction	in \$ USA million	90.0
Including in towns with population over 50000		
Baku	1000 seats	60.0
Nakhchivan	1000 seats	10.0
Ganja	1000 seats	15.0
Sumgayit	1000 seats	20.0
Mingachevir	1000 seats	10.0
Ali-Bairamli	1000 seats	6.0

Demand in pre-school institutions (PSI) in Azerbaijan to 2000

Available PSI	% children	36.3
Demand in PSI	1000 seats	50.0
Cost of construction	in \$ USA million	22.0
Including in towns with population over 50000		
Baku	1000 seats	12.0
Nakhchivan	1000 seats	2.0
Ganja	1000 seats	4.0
Sumgayit	1000 seats	3.0
Mingachevir	1000 seats	3.0
Ali-Bairamli	1000 seats	2.0
Expenses of engineering facilities	in \$ USA million	1979.6
Total sum required for the development of the infrastructure	in \$ USA million	8837.9

4.2.ASSISTANCE IN ELIMINATION THE CONSEQUENCES OF AGGRESSION OF ARMENIA

Azerbaijan as the member of the United Nation Organization, subjected to Armenian aggression, is the obvious victim of the Armenian state terrorism policy, fixed by some statements, adopted by Armenia, affirm its annexation aspirations.

For the purpose of ensuring the stable development of habitations and living conditions of more than a million citizens and displaced persons need:

a) recognition of world community that the ongoing occupation of Armenia of the territory of Azerbaijan in ignorance of international effort aimed at development of living environments and future of mankind;

- b) condemnation by the world community of persecutions, mass murder and genocide against the Azerbaijani, destruction of cities and cultural heritage of Azerbaijan;
- c) confirmation by the world community readiness to maintain and aid indigent victims of aggression against Azerbaijan, realize the programme of " Home-Coming " to return refugees and displaced persons to the places of their constant habitations, to restore the infrastructure of settlements, destroyed in the occupied territories, to reconstruct the desecrated monuments of historico-cultural heritage of Azerbaijan;
- d) adoption of resolutions on rendering assistance for taking measures in the sphere of housebuilding and settlements for vulnerable groups of population such as refugees and people, displaced persons, officially registered migrants and homeless people by means of giving them special-purpose allowances;
- e) broadening of access to the world financial system for local powers of Azerbaijan, to realize the programme of " Home-Coming ".

4.3. STRUCTURAL ORIENTATION OF POLICY OF FINANCIAL ASSISTANCE

Due to the rapid growth of expenses on housing and urban services promising to grow in accordance with the adopted Government Obligations and the National Program of Actions of Azerbaijan on ensuring the stable development of settlement and dwelling houses it is getting more difficult for the Republic to mobilize internal financial resources in the required scope. For attaining the aims defined by the present Conference, attraction and use of the new financial resources to any possible extent have become of special importance. In order to strengthen the existing and new forms of finance, the state, private, multilateral and bilateral ones, it is urgent to use appropriate mechanisms and economic levers in the interest of populated areas developments. The obligatory condition of international cooperation development and coordination on regional level is cooperation in financial and technical spheres.

ACTIONS

- a) to make efforts to achieve the fixed specialpurpose indices till 2000 and to increase the volume of expenses to finance the programs of populated areas stable development so as to adjust it to the actions, the realization of which are necessary to achieve the aims defined by the Conference;
- b) to raise the priority of questions of populated areas stable development among multilateral and bilateral donors and to mobilize them to support realization of the National plan of actions;
- c) to encourage multilateral and bilateral donors to maintain Azerbaijan in its efforts to realize the stimulating strategies on the basis of which the Government and local authorities, communities, private and co-operative sectors could establish partner relations for participation in actions in the field of housebuilding and dwelling areas;
- d) to give special credits and subsidies at reduced rates which would enable Azerbaijan to meet the requirements of vulnerable groups of population properly;
- e) to maintain the programs which improve efficiency and transparency of state and private resources use, lead to reduction of unprofitable and purposeless expenses, extend the access of poor layers of population to the habitation and various services;
- f) to direct to Azerbaijan a possible part of international private finances for housebuilding and populated areas development on the basis of the use of appropriate instruments of economic policy;
- g) to establish in Azerbaijan necessary opportunities for creation of inspection mechanisms, working out the policy of taxation and other normative documents for the sake of ensuring transparency, efficiency and stability of long-term private investments of global character;

- h) to render support to efforts of Azerbaijan state authorities in joining the world markets of finance;
- i) to assist Azerbaijan in adoption the mechanisms of effective and just price establishing for the sake of stable development of housebuilding and infrastructure aimed at increase of inflow of private, inner and international finance, at the same time ensuring transparent and special-pupose subsidies grant to needy layers of population.

4.4. TECHNOLOGICAL ASSISTANCE OF THE WORLD COMMUNITY

One of the most important preliminary conditions of habitations considerably influencing the structures of consumption and production is the use of ecologically stable technologies. Corresponding progressive technologies and systems, based on the analysis of available knowledge ensuring their inculcation, establish new possibilities for move effective use of human and financial resources, adoption of more stable methods of practical activity in idustry and creation of new sources of employment. International enterprises can play a decisive role in distribution information on available technologies and possible variants of their exchange, as well as in broadening the access to such information.

ACTIONS

- a) to establish and to strengthen the global systems of communication among all principal subjects of activity to ensure exchange of information on ecologically stable technologies of housebuilding and development of settlements;
- b) to watch that the process of distribution of technologies should be realized on honest and just basis and exclude the possibility of transfer of ecologically dangerous technologies to the recipients;
- c) to work out corresponding mechanisms for distribution of technologies;
- d) to participate in finance and development of the applied research and inculcation of innovations in all spheres, which could assist to extending Azerbaijan's possibilities of providing the population with dwelling houses, urban services, infrastructure and oother conveniencies.

4.5. TECHNICAL COOPERATION

In order to solve the problems caused by the rapid urbanization in Azerbaijan it is urgent to ensure the creation of favourable conditions for efficient exchange and distribution of special knowledge and experience on institutional, legislative and normative basis and to spread the more effective experience on the matters of stable administration of cities by means of international and regional information systems and methodic centres, the most important of which is the UNO Centre on Habitation (Habitat).

ACTIONS

- a) to establish highly effective information networks on questions of dwellings in the form of constantly active "electronic conferences";
- b) on the basis of the use of global information networks on questions of dwelling areas to assist the government on all the levels, principal groups of participants and international agencies acting in the field of development, in receiving information on policy, strategy, programs and projects in the sphere of populated locations development and housing provision;
- c) to develop and strengthen the programs on accumulation of the potential for the purpose of rendering support and assistance to Azerbaijan's efforts in the sphere of experience exchange on evaluation and standard of dwelling environment quality activization, adoption of corresponding

instruction measures in the interest of urbanization and complex regional development in the framework of national development strategy;

d) to maintain the programs of technical cooperation on prevention and softening of consequences of natural and anthropogenic disasters and realization of reconstruction in Azerbaijan;

e) with the consent of United Nations Commission on dwelling locations and Habitat Centre and with the support of regional economic commissions of UNO on information and technical assistance to develop efficient, direct communication with Habitat Centre and the Habitat Azerbaijan National Centre as a representative and functional component of the global system of the Habitat UNO program in Azerbaijan.

Inclusion of Azerbaijan National Centre "Habitat" into the Habitat UNO system will ensure the extension of the sphere of UNO possibilities to realize it within the framework of different projects in Azerbaijan territory, direct and reverse links in the efficient functioning of corresponding establishments of countries of Central and Eastern Europe on one hand, and will enable to consolidate their efforts on solution of problems common to the Region and the Continents, on the other hand.

Signatures of the Habitat National Committee members: