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EU4Climate

Armenia, Azerbaijan, Belarus, Georgia, Republic of Moldova, Ukraine



Photo credit:
UNDP in Azerbaijan

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Climate policy development and advancing cooperation with the EU in Azerbaijan



- > With a population of around 10 million people (2020), Azerbaijan contributes only 0.15% of total global greenhouse gas (GHG) emissions, with 6.2 t CO₂e per capita (2019) without land use and forestry (LULUCF) activities, and 5.4 t CO₂e per capita with LULUCF¹.



energy
75.0%



agriculture
14.0%

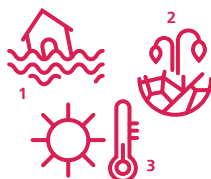
Energy and agriculture are two sectors with the largest GHG emission shares.

The GHG emissions of Azerbaijan decreased between 1990 and 1995 by 37% to a level of about 52 Mio t CO₂eq, which is about the same level as in 2010. Since then, GHG emissions increased by 19% to 61 Mio. t CO₂eq in 2016, while GDP decreased in the same time by 14%. The low GDP in 2016 was caused by a collapse of the oil prices. A decoupling of GHG emissions and GDP has not been observed in the period under review, which can be explained by the oil-based economy.

Azerbaijan has a commitment in its first Nationally Determined Contribution (NDC) to achieve a quantitative target of a 35% GHG emissions' reduction by 2030 compared to 1990. At COP 26 Azerbaijan announced a target of 40% GHG emission reduction by 2050.

- > Azerbaijan's NC3 reports an increase in temperatures across the country of 1.3°C in 2010, relative to the average annual temperatures observed in the period 1961-1990. Temperatures in Azerbaijan are projected to rise at a faster rate than the global average, with potential warming of 4.7°C by the 2090s over the 1986-2005 baseline, under the highest emissions pathway (RCP8.5). Maximum and minimum temperatures are projected to rise faster than the global average, which will amplify the impacts on human health, livelihoods, and ecosystems.

- > The physical and geographical characteristics of Azerbaijan make it a highly sensitive country to the adverse effects of climate change. Extreme weather events, such as **flooding (1), drought (2), heat stress (3)** are expected to increase in frequency.



- > A changing climate will also significantly impact the coastal zone. **The most vulnerable sectors are agriculture, human health, water resources, forestry and tourism.**



The "Azerbaijan 2020: Look Into the Future" Concept of Development² highlights the possible impacts of climate change on the country's society and economy, and the importance of preparing necessary policy measures. It also states that the amounts of energy and CO₂e used to produce one unit of Gross Domestic Product (GDP) will need to be in line with the Organisation for Economic Cooperation and Development (OECD) indicators. Whilst no policy or legal document has been put in place specifically for adaptation, the first NDC stated that Azerbaijan considers developing relevant adaptation measures for decreasing or minimizing potential losses caused by climate change at national, local and community levels by sector. Work on a national adaptation plan is meanwhile ongoing and expected to be completed in 2023. The designated national authority in the climate change area is the Ministry of Ecology and Natural Resources.

The European Union's (EU) relations with Azerbaijan are based on the EU-Azerbaijan Partnership and Cooperation Agreement in force since 1999. Azerbaijan is also part of the EU's European Neighbourhood Policy (ENP) and the Eastern Partnership initiative, and a member of the Organisation of Black Sea Economic Cooperation (BSEC). A Memorandum of Understanding (MoU) on a Strategic Partnership between Azerbaijan and the EU in the energy field was signed in 2006. The MoU identified four priority areas for bilateral cooperation: harmonisation of legislation, enhancing the security of supply and transit systems, development of the Renewable Energy Sources (RES) and increased technical cooperation. In 2019, Azerbaijan joined the Eastern Europe Energy Efficiency and Environment Partnership (E5P), with further EU support in the energy sector.

- The law "On the Use of Renewable Energy Sources in Electricity Generation," was adopted on 31 May 2021 and approved on 12 July 2021.
- Under the EU4Energy programme phase I - (2016-2020) project financed by the EU, significant reforms have been achieved with regard to energy efficiency, including the adoption of a law on "Rational use of energy resources and energy efficiency" (Presidential Decree on 20 August 2021), the development of the first "National Action Plan on Energy Efficiency of the Republic of Azerbaijan" (NEEAP ; which however has not been adopted as yet) and the Roadmap for accelerating the adoption of eco-design and labelling requirements for energy using products.
- The "Azerbaijan 2030: National Priorities for Socio-economic Development" was approved on 2 February 2021. The 5th priority is a clean environment and country of "green growth". Cooperation on the environment and climate goals has been strengthened. Also, a transport dialogue and cooperation are very high on the EU and Azerbaijan agenda. Azerbaijan is moving forward on its sustainable energy pathway, with strong support from the EU, including through the EU4Energy Initiative, and from international financing institutions.



2014

- 3rd National Communication
- National Adaptation Strategy until 2020
- Biennial Update Report 1 (BUR1)



2015

- INDC 2016-2030
- COP21 Paris Agreement
- Pledge to Sustainable Development Agenda 2030



2016

- Strategic Road Map on National Economic Perspectives until 2025



2017

- New EU Framework agreement
- Ratification of Paris Agreement



2018

- EU-Azerbaijan yearly high level security dialogue launched
- Biennial Update Report (BUR2)



2019

- EU4Climate launched



2020

- Update of the LEDS 2050 initiated



2021

- Fourth National Communication submitted
- LEDS 2050 - the draft report is undergoing public consultations



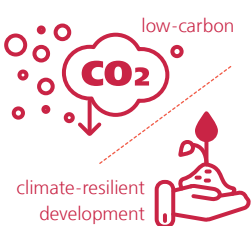
2022

- Updated NDC 2021-2030 submitted to the government for approval
- LEDS 2050

¹ Fourth National Communication of Azerbaijan to UNFCCC

² https://president.az/files/future_en.pdf

EU4Climate key policy interventions and expected impact



> Azerbaijan has already set several policies to pursue low-carbon, climate-resilient development. **However, as a developing country, Azerbaijan needs further international financial, technological and capacity-building support.**



> The EU4Climate Programme, funded by the European Union, aims to support the development and implementation of climate-related policies by the Eastern Partnership countries. EU4Climate aims to support Azerbaijan in its commitment to update and enhance the country's NDC, to build national capacities to integrate low-emission and climate-resilient actions into the national development plan as well as align climate change legislation with the EU standards. A robust domestic Measurement, Reporting and Verification (MRV) system will be established to inform the government and the international community of the progress of its NDC implementation. The programme will establish concrete industry-specific guidelines for the implementation of the Paris Agreement across various sectors of the economy, in particular agriculture and energy.

Result areas and timeframe in Azerbaijan

RESULT AREAS	2019		2020			2021			2022		
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
NDC											
Long-term LEDS											
MRV System											
EU Climate Acquis											
Climate Mainstreaming											
Climate Investments											
Adaptation Planning											



Implementation of EU4Climate activities started in Azerbaijan in the second half of 2019, and laid the foundation for systematic implementation of the requirements of the Paris Agreement and the commitments of Azerbaijan under it.

EU4Climate Azerbaijan: key results achieved in 2021



- 1 Implementation and update of NDCs
- 2 Development of mid-century long-term LEDS
- 3 Introduction, when necessary, of robust domestic emissions MRV frameworks and strengthening of the existing ones
- 4 Alignment with EU Acquis included in bilateral agreements and Energy Community Treaty on Climate Action
- 5 Mainstreaming climate into other sectors, interinstitutional awareness (on policy and technical level)
- 6 Climate investments
- 7 Adaptation planning
- 8 Communication and visibility actions

- The **NDC** report was finalized and submitted to the government for approval. A series of workshops were held to discuss the priorities of the country on climate change and future plans.
- The draft **LEDS report** has been prepared and the public consultations with the participation of the line ministries were initiated.
- The Environment Agency Austria (EAA) is supporting the creation of a robust national MRV system.
- In depth analysis of the national legislation and policies, was undertaken for preparing a roadmap to assist aligning legislation with the EU.
- Guidelines on mainstreaming of climate change into the priority sectors of energy and agriculture were developed by analysing the national circumstances in line with strategic documents/roadmaps of the country.
- The current state budget tagging systems and the state financial institutions were analysed for contributions to capacity building for climate change mitigation and adaptation.
- A regional workshop enhanced capacities for national adaptation planning.
- A drawing contest for schoolchildren aged 7-12 dedicated to last year's World Environment Day was held. Within the EU Mobility Week event, covered bicycle parking, 20 labeled bicycles, helmets and bike locks were unveiled in the Absheron National Park. Officials of ministries and diplomatic missions participated at an amateur bicycle race at the event. Participants in the "Ozun Yarat" contest featured their handiworks to demonstrate creative solutions for the waste materials which are normally thrown away.



Future Activities

- > Developing an updated NDC aligned with national priorities - September, 2022
- > Developing the national LEDS of Azerbaijan - September, 2022



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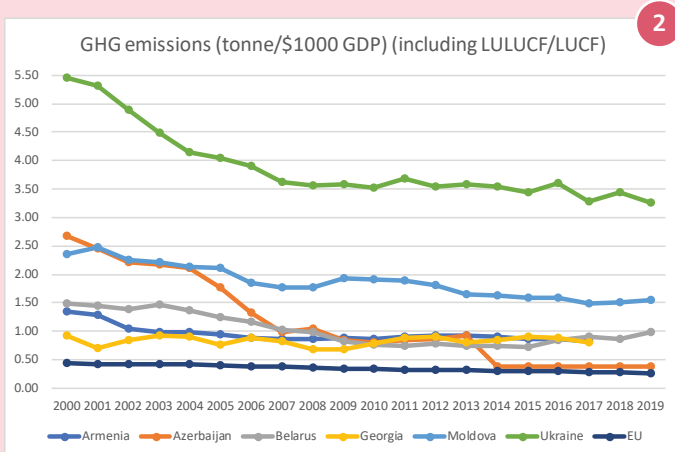
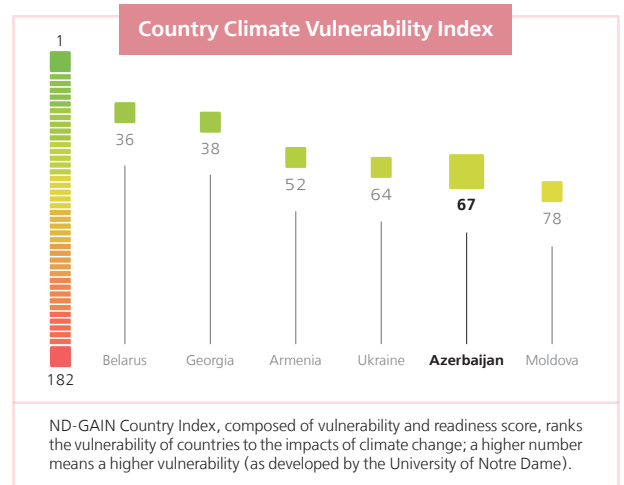
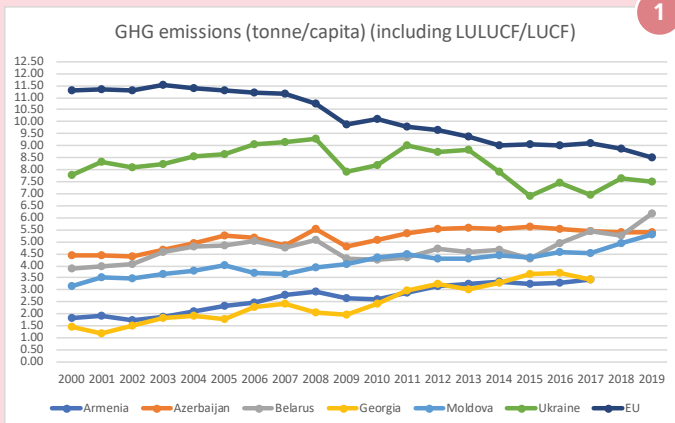


> The **EU4Climate Programme** helps governments in the six EU Eastern Partner countries to take action against climate change. It supports countries in implementing the Paris Agreement and improving climate policies and legislation.

EU4Climate assists the EaP countries to integrate the low-emissions and climate resilience objectives into development policies and plans, to improve and consolidate climate policies and legislative alignment. Its ambition is to limit climate change impact on citizens' lives and make them more resilient to it.

The Programme builds on important achievements of past cooperation programmes, such as the EU's ClimaEast Programme, which supported Climate Change Mitigation and Adaptation in Neighbourhood East and was completed in 2017. EU4Climate directly contributes to the targets of the Joint Staff Working Document "Recovery, resilience and reform: post 2020 Eastern Partnership priorities", adopted in July 2021.

The scope of the Programme was defined in cooperation with all partner countries. The Initiative is implemented by the United Nations Development Programme. The European Commission provides the overall direction.



Partner Countries:

Armenia, Azerbaijan, Belarus, Georgia, Republic of Moldova, Ukraine



Duration:

2019-2022



Budget:

EUR 8.8 million (EU contribution: EUR 8 million)



Implementing Partner:

United Nations Development Programme (UNDP)



Overall direction:

European Commission



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