

# Economic Development and Diversification; A Case of Azerbaijan

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CESD

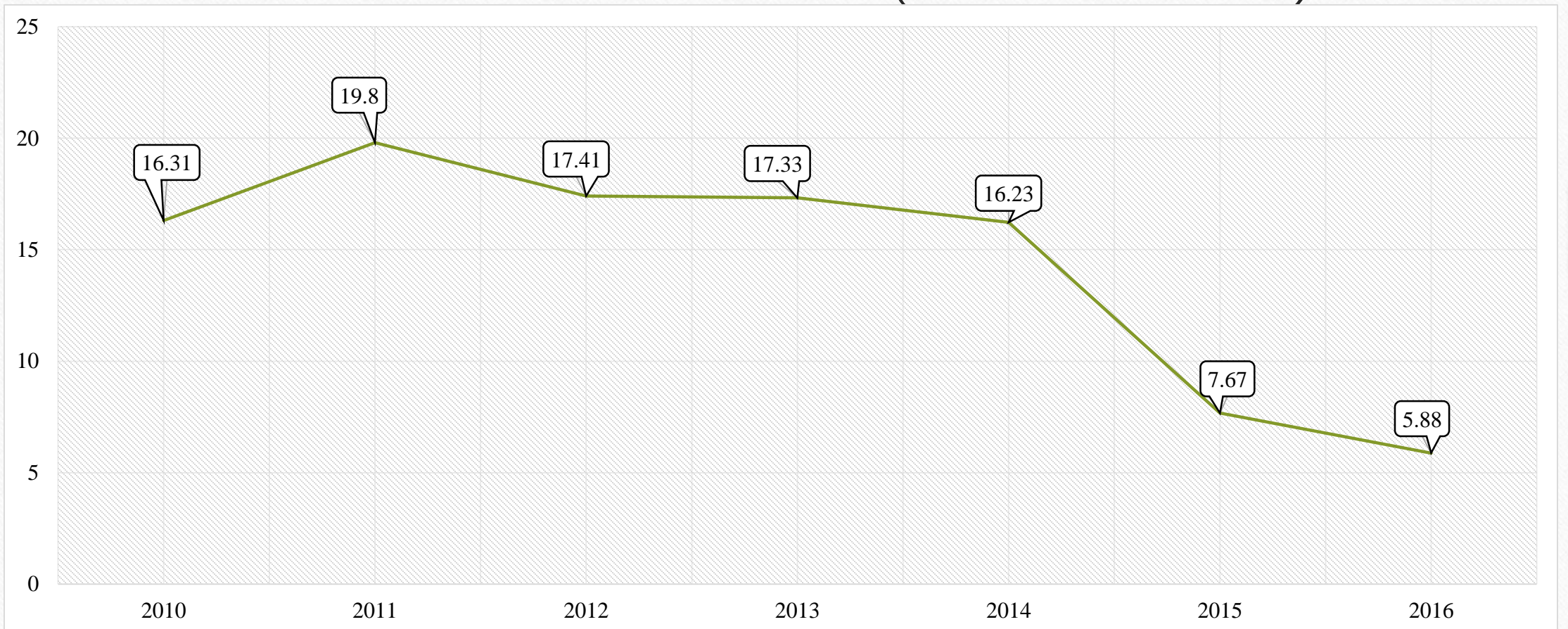
September 2017

# Content

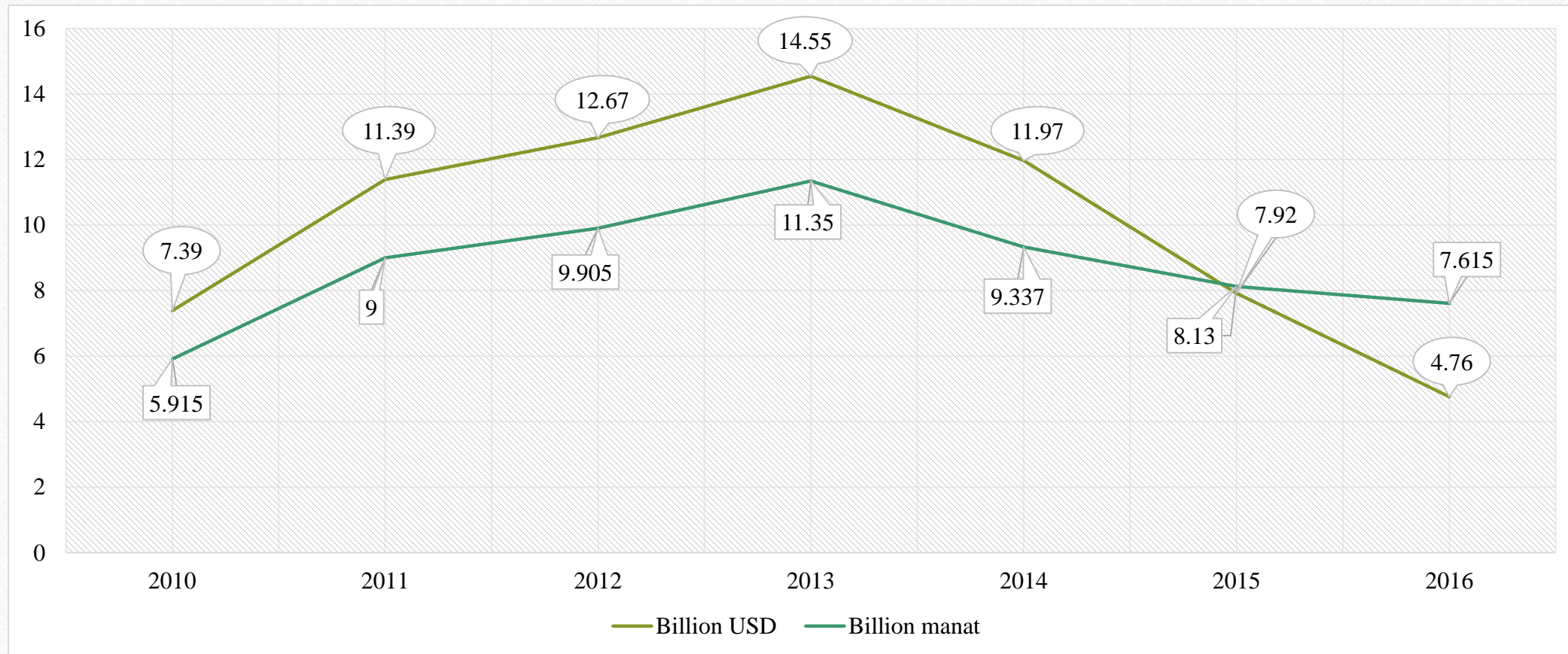
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- Oil boom vs. post-oil period
- Assessment of the oil boom period
- Rooms for diversification in the post-oil period
- Diversification reforms; done and should be

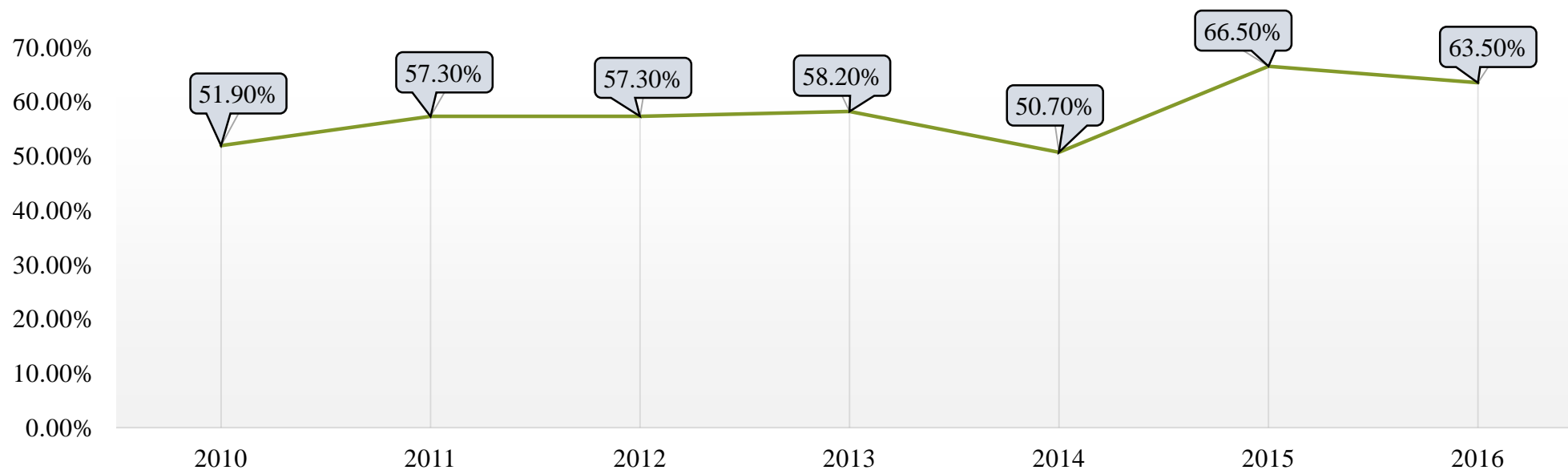
# SOFAZ's Revenues (billion USD)



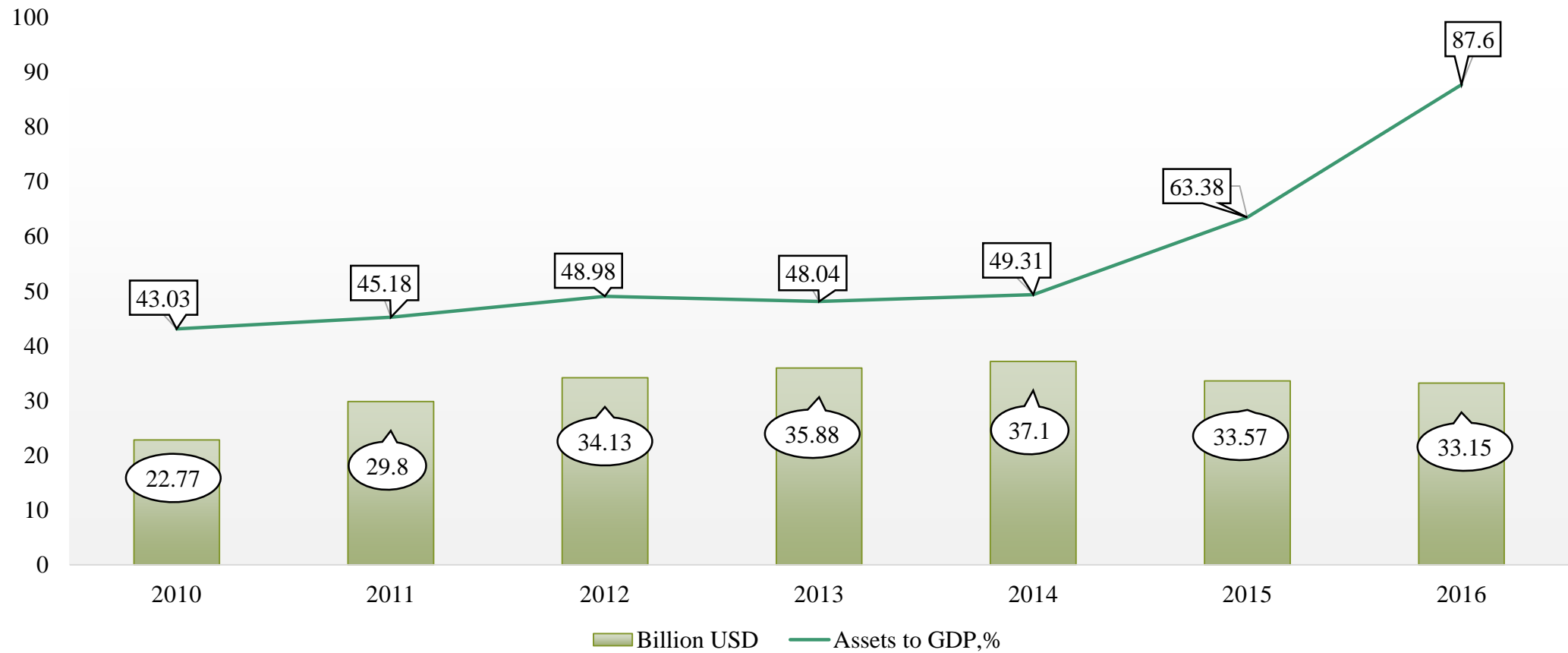
# TRANSFERS TO THE STATE BUDGET



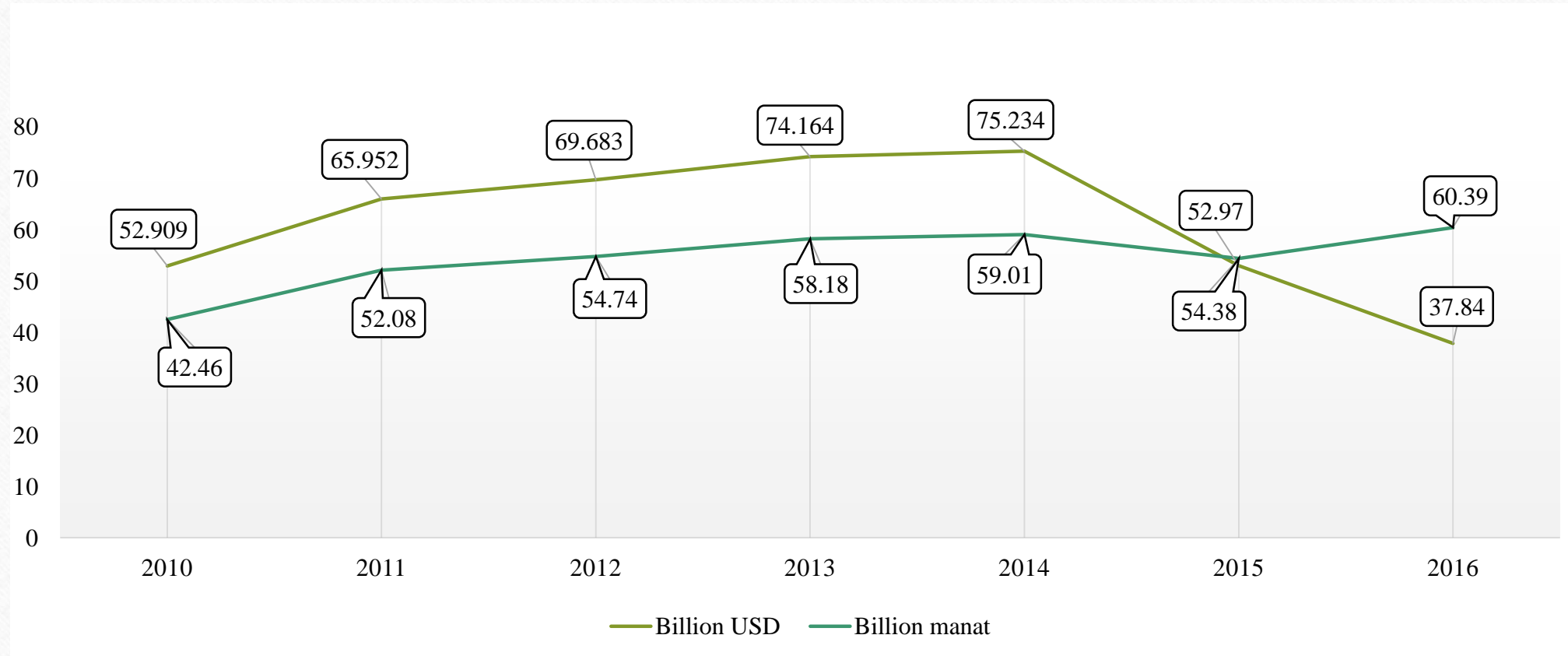
# SHARE OF OIL MONEY TRANSFERS IN THE REVENUES OF STATE BUDGET, %



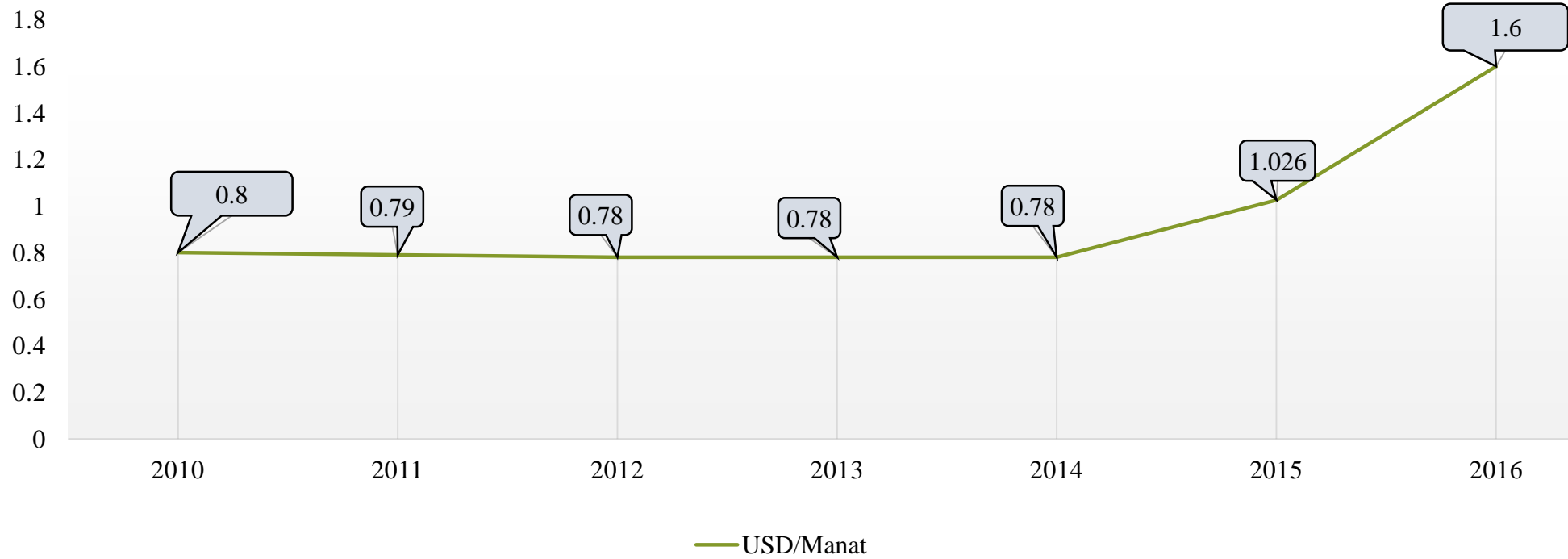
# ASSETS OF SOFAZ



# GDP OF AZERBAIJAN

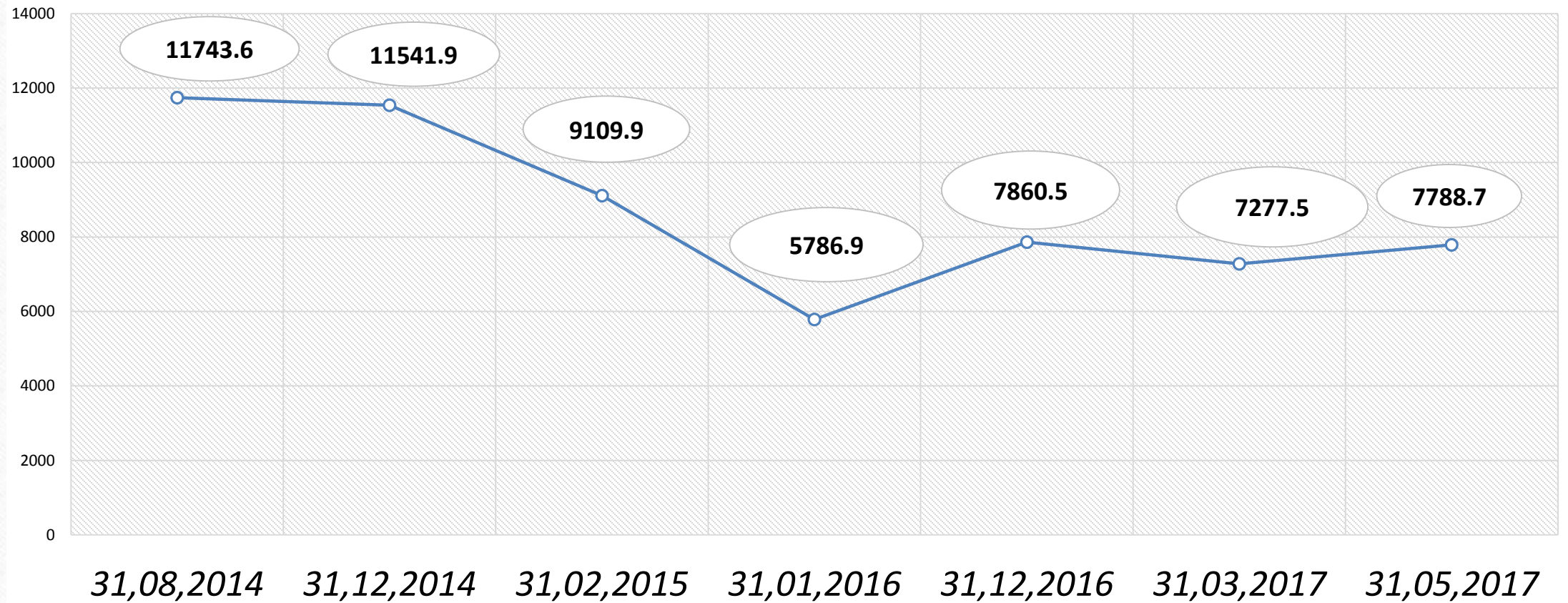


# EXCHANGE RATE OF USD/Manat

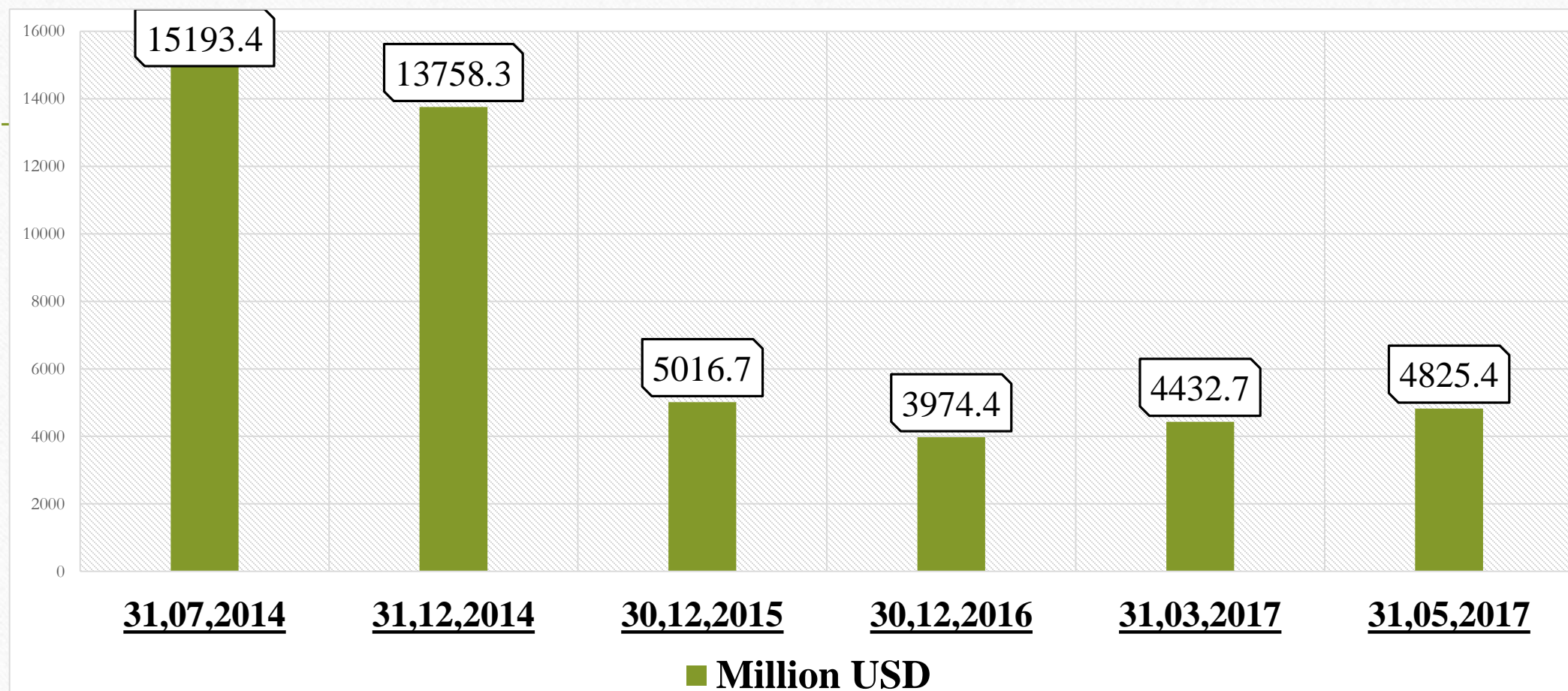




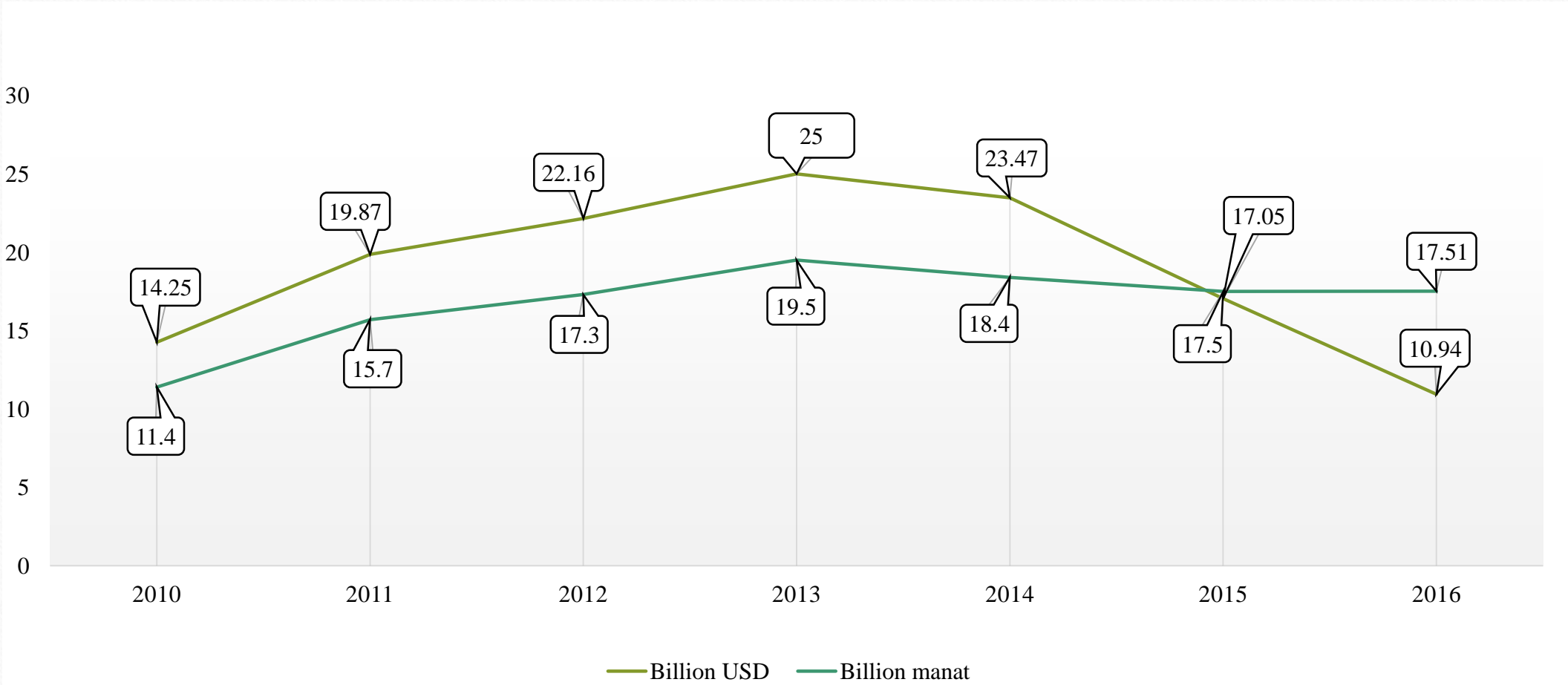
# Money Supply (billion manat)



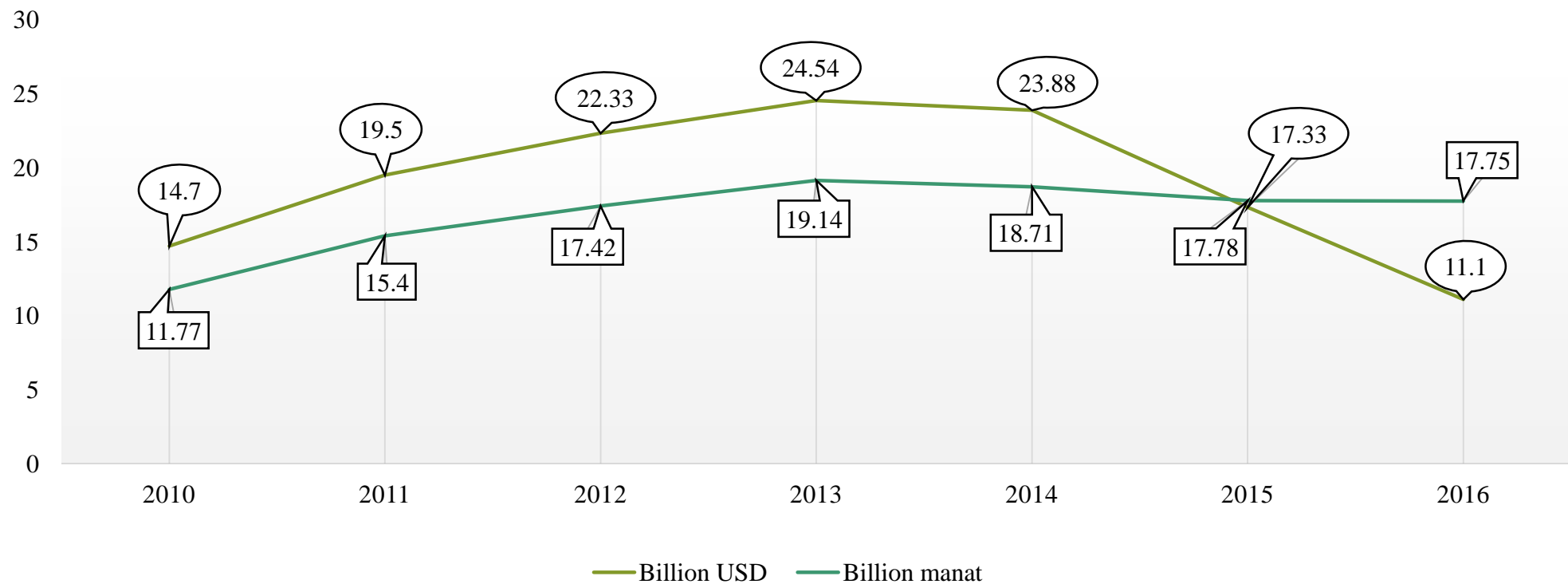
# Foreign exchange reserves of the CBA



# THE REVENUES OF STATE BUDGET



# THE EXPENDITURES OF STATE BUDGET



# Oil Boom

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Mono-culture export country; more 95.0 of total export was oil and oil products

Strong local currency

Import dependency

Subsidized economic growth

# Post-Oil Period

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- Fiscal consolidation
- Less public spending
- From supply economy to demand economy
- Less strong local currency
- More market based reforms

# Conclusion

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- From oil boom to post oil period
- Economic transformation to new oil price
- Less public spending, more initiatives
- More chances for diversification

*Better research, better policy, better reform*

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Thank you

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