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Diversification Through Promotion of Export-Oriented Production and “Green Transformation” in Azerbaijan

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Abstract. Diversification is an important component of the development of any economy. The reason for this is the increase in the country's resilience to external stimuli, which makes progress more gradual, constant and predictable. Thus, the study of the possibilities of diversifying the economy is very relevant, especially in today's geopolitical conditions. The purpose of the work was to analyse some methods of diversifying the economy of Azerbaijan, namely the development of export-oriented production and the implementation of the “green transformation”. Analysis became the main method in writing the article, but historical, modelling, deduction, abstract-logical methods also played an important role. Thus, the work examined and analysed the export of Azerbaijan, during which a significant dependence of the country on oil sales to foreign markets was revealed. Since such a prospect is dangerous for the sustainable development of the country, it is important to carry out certain measures aimed at increasing the diversification of its exports. First of all, they are associated with public-private partnerships, but they also take other forms, such as attracting investments and building infrastructure. In addition, the paper describes how the “green transformation” of the country can help achieve the goals of economic diversification and at what stage is the level of “greening” of the state economy; the paper also describes the prospects for the state in achieving these goals. The article brings new knowledge to understand the features of the functioning of the Azerbaijani economy, as well as to the theory of economic and sustainable development, as well as trade

Keywords: economy of Azerbaijan, sustainable development, export concentration, export diversification, “green transformation” of business



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INTRODUCTION

The economic diversification is an important aspect of sustainable development as it enhances macroeconomic stability and promotes long-term social, political and other transformations (Jolo *et al.*, 2022). Indeed, the ability of the state not to be dependent on the supply of a single type of product is a relevant component of development. Difficult times for the global economy began with the spread of the pandemic, the unstable situation in the global economy, due to the volatility of the global oil market. This became especially relevant in connection with the consequences of the conflict in Ukraine, after which European countries began to experience significant problems in the energy sector due to a decrease in Russian gas and oil supplies (Prohorovs, 2022; Caldara *et al.*, 2022). It should be noted that it would be quite possible to avoid this if the countries of Europe paid more attention to their energy security and economic diversification (Elbassoussy, 2019; Rodríguez-Fernández *et al.*, 2022). In this paper, two main types of achieving economic diversification are considered. The first is the development of export-oriented production: its essence is that, with the development of several export-oriented industries, the country's economy cannot function without funds when problems affect one of them; in the conditions of a global crisis (Matezo *et al.*, 2021; Swathi & Perumal, 2021). The second is the "green transformation", the essence of which is to achieve cleaner production methods, their full cycle of consumption within the country, which allows countries to achieve higher levels of independence in some sectors, such as energy (Soderholm, 2020).

A significant number of scientists have been engaged in the analysis of this and related problems. Thus, in particular, it is worth noting A.M. Jolo *et al.* (2022), who studied the role of economic diversification for its healthy and sustainable development. Scientists single out a special role for the positive components of this phenomenon, but they lose sight of the negative ones, which also exist, albeit on a much smaller scale. In turn S. Jednak *et al.* (2016) described the role and importance of the economic diversification based on empirical data from Serbian enterprises. The role of promoting export-oriented production in Azerbaijan was actively studied by R.M. Jabiev (2018), who describes in his work the features and mechanisms for the development of export-oriented production, especially with the help of state assistance. However, during the study, the scientist paid little time to the existing problems in this type of enterprise support. It is also worth noting some of the authors who studied the current conditions for the development of "green transformation". Among them, it is worth mentioning P. Soderholm (2020), who wrote about future changes and challenges from the introduction of environmentally friendly technologies, as well as methods for their implementation. R.A.O. Aliev and G.F.K. Ismailova (2015). In the paper, they consider

the goals already achieved, and also describe the likely prospects for future changes, but they devote little time to the possibilities of creating state policy in this area.

Thus, *the aim of the paper* was to analyse how to develop export-oriented production and implement a "green transformation". The object of the study was the methods mentioned above, namely the possibility of their development in the country. The novelty of the work lies in detailed consideration of Azerbaijan's exports and proposals for solving problems with its concentration.

MATERIALS AND METHODS

When conducting statistical studies, the Herfindahl-Hirschman indicator was used in the work. Its essence lies in finding the company's share (in percent) in the market and bringing this indicator to the square: if there is only one company on the market, then the indicator will be equal to 10000; if their number tends to infinity, which is more than a theoretical assumption, then the indicator will tend to zero. Most often, it is used to assess the level of monopolization of a particular market, the role of certain companies in it (Laine, 1995), however, in this work, it was decided to use it to assess the level of export concentration, since the essence of both indicators is quite similar (the company's share in the market and the share of the product/country in exports (imports or foreign trade)). Thus, the value of the indicator the Herfindahl-Hirschman Index (HHI) is calculated as follows:

$$HHI = \sum_{i=1}^n S_i^2 \quad (1)$$

where: HHI – Herfindahl-Hirschman index; S_i^2 – (within the framework of this study) expression (in percent) of the share of the i -th product/country in exports;

$\sum_{i=1}^n S_i^2$ is the sum of the squared shares of n goods/countries in total exports.

When assessing the level of market monopolization, it is considered that with an indicator $HHI < 1000$ the market is low concentrated, with $1000 < HHI < 1800$ – moderately concentrated, with $1800 < HHI < 10000$ – highly concentrated.

The main sources of information in the article were the works of other scientists. However, significant volumes of statistical data were also used, in particular, on Azerbaijan's exports (both in terms of products and countries). The source for such information in the article was the Trade Map (2022) database. In addition to it, some official documents such as Decree of the President of the Republic of Azerbaijan "On Measures to Create a "Green Energy" Zone in the Territories of the Republic of Azerbaijan Liberated from Occupation" (2021) were mentioned in the article, and also Decree of the President of the Republic of Azerbaijan "On Approval of the

"National Priorities of Social and Economic Development: Azerbaijan 2030" (2021).

The basis of the work was the theoretical abstract-logical methods of research. Among them, it is worth noting the analysis, given the significant amount of statistical data processed. An important way of examining the problem was the historical method, with the help of which the development of exports in the country over a certain amount of time was studied. In addition to it, modelling was used in the work to form and determine the general principles of work to promote export-oriented production in Azerbaijan. With the help of deduction, the general state of export-oriented production and "green transformation" in the country was assessed, based on separate data on these areas of activity.

All work can be divided into several stages. At the first stage, a brief review of Azerbaijan's foreign trade

was carried out to form a possible future direction of its development: in particular, the concentration of exports by goods and countries was assessed using the HHI indicator. At the second stage, the level of implementation of the "green transformation" in Azerbaijan is considered, the potential benefits that the country can receive in the event of the development of environmentally friendly technologies and the production of "green" products are described. At the end of the work, a comparison was made of the results obtained from data from similar or related articles by other scientists.

RESULTS

In order to assess the opportunities for the development of a country's export products, it is worth studying the structure of its exports. The data for 2002-2021 were selected for analysis. These data are provided in Table 1.

Table 1. Share of certain types of export products of Azerbaijan in some years, %

Group	Year						
	2002	2007	2012	2017	2019	2020	2021
Mineral fuel; oil and products of its distillation; bituminous substances; mineral waxes	88.92	81.40	93.42	90.60	90.65	87.25	88.40
Plastics, polymeric materials and products from them	1.03	1.17	0.46	0.66	0.91	1.20	1.99
Edible fruits and nuts; peels of citrus fruits or melons	1.06	2.06	0.87	1.91	1.85	2.57	1.85
Cotton	1.06	0.66	0.10	0.34	0.81	1.14	1.23
Vegetables, some edible roots and tubers	0.13	0.65	0.23	1.37	1.24	1.85	0.99
Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metals and articles thereof; bijouterie; coins	0.00	0.00	0.00	0.83	0.89	1.45	0.93
Aluminum and its products	0.03	1.51	0.40	0.77	0.65	0.83	0.85
Fertilizers	0.01	0.00	0.00	0.01	0.10	0.08	0.55
Organic chemical compounds	0.52	0.35	0.17	0.44	0.34	0.42	0.45
Black metals	0.64	0.74	0.25	0.25	0.20	0.22	0.40

Source: compiled by the authors taking into account the Trade Map database (2022)

As can be seen from Table 1, the main type of product that is exported in Azerbaijan is oil and its refined products: other types of exports occupy a very low share

in foreign trade, not exceeding 2%. It is also important to estimate the share in exports of the first several groups of goods, the data of which are shown in Table 2.

Table 2. Share of the first n goods in the structure of Azerbaijan's exports in some years, %

Year	2002	2007	2012	2017	2019	2020	2021
One item	88.92	81.40	93.42	90.60	90.65	87.25	88.40
First three	91.01	84.62	94.75	93.17	93.41	91.02	92.24
First five	92.20	85.93	95.08	94.88	95.46	94.01	94.46
First ten	93.39	88.53	95.90	97.19	97.64	97.00	97.63

Source: compiled by the authors taking into account the Trade Map database (2022)

As can be seen from Table 2, the specialization of Azerbaijan's exports as a whole is increasing in all indicators, except for the first one (that means, the shares of the first 3, 5, 10 goods have changed in 2021 compared to

2002). However, the overall picture has not changed and oil remains the country's main export. It is important to analyse the diversification of Azerbaijan's exports also in the context of countries. These data are provided in Table 3.

Table 3. Share of the top ten largest countries in Azerbaijan's exports in some years, %

Countries	Year						
	2002	2007	2012	2017	2019	2020	2021
Italy	49.95	15.53	23.28	34.97	28.72	30.38	41.63
Turkey	3.85	17.44	2.52	9.11	14.58	18.92	12.69
Russian Federation	4.41	8.70	4.03	3.84	3.69	5.17	4.15
Israel	7.11	6.10	6.99	4.17	6.78	3.19	4.04
Croatia	0.34	0.66	1.39	1.39	2.22	3.43	3.38
Georgia	3.73	5.68	2.40	3.19	2.99	3.36	2.98
Germany	1.33	0.33	4.05	2.94	4.74	1.70	2.93
India	0.10	2.39	7.93	2.64	4.87	3.33	2.68
Portugal	0.14	0.00	1.02	3.28	1.80	1.75	2.65
Tunisia	0.00	0.00	1.04	1.19	0.00	2.27	2.60

Source: compiled by the authors taking into account the Trade Map database (2022)

As can be seen from Table 3, Italy remains the main trading partner of Azerbaijan during the analysed period of time; however, a significant part of the countries is also regularly occupied by Turkey. For a more

detailed assessment of the level of concentration of exports by countries, they were also formed into groups of 3; 5 and 10 countries. These data are shown in Table 4.

Table 4. Share of the top n countries in the structure of Azerbaijan's exports in some years, %

Year	2002	2007	2012	2017	2019	2020	2021
One country	49.95	15.53	23.28	34.97	28.72	30.38	41.63
First three	58.21	41.67	29.83	47.91	46.99	54.46	58.46
First five	65.66	48.43	38.21	53.48	55.99	61.08	65.89
First ten	70.96	56.83	54.65	66.71	70.39	73.49	79.72

Source: compiled by the authors taking into account the Trade Map database (2022)

Table 4 shows that the concentration of the country's exports has changed quite a lot from year to year: for example, comparing 2002 and 2021, it is possible to see that the share of the first country has significantly decreased, while at the same time as the

top 10 it has increased. In order to accurately assess the level of concentration of exports in the context of countries and goods, it was decided to use the Herfindahl-Hirschman indicator described in the methodology. The performance of this index is shown in Table 5.

Table 5. Share of the top n countries in the structure of Azerbaijan's exports in some years, %

Year	2002	2007	2012	2017	2019	2020	2021
Countries	2699.50	857.96	901.27	1457.85	1225.02	1413.58	2002.58
Products	7915.22	6648.27	8730.46	8216.30	8226.29	7628.28	7827.33

Source: compiled by the authors taking into account the Trade Map database (2022)

As can be seen from Table 5, the indicator for countries decreased, while for products it remained at almost the same level. And although they are all quite large, indicating a high concentration of exports in

the country, the indicator of concentration by product is much higher. Thus, increasing the diversification of a country's exports is a very important component of its future development, especially to protect

against unexpected changes in the price of petroleum products.

Basically, the policy aimed at increasing the diversification of exports through the promotion of export-oriented production is carried out through the support of individual enterprises through the provision of financial privileges: deferrals or exemptions from paying taxes, providing cheap loans, etc. At the moment, there is an organization in Azerbaijan "Azerbaijan Export and Investment Promotion Foundation", which is engaged in the development of the non-oil sector of the economy by attracting international investment and encouraging the export of non-oil products (Frappiand & Pashayeva, 2012). The Foundation cooperates with many other organizations around the world, conducts regular export missions and events both in the country and abroad, thereby developing the brand "Made in Azerbaijan". Until 2026, the "Azerbaijan Export and Investment Promotion Foundation" plans to increase the level of exports of non-oil sector products to the level of 3.6 billion dollars (Nasirzade, 2020). According to the data for 2021, the level of exports of this sector was slightly more than 2.5 billion dollars: thus, reaching the level of 3.6 billion dollars seems quite realistic (Trade-Map, 2022). Among other methods for the development of export-oriented enterprises, it is worth noting the construction of techno parks, which allows increasing the level of investment in the country: as studies show, the development of such facilities can really improve the level of industrial development in the country and increase the export potential of enterprises (Guliyev, 2016).

In Azerbaijan, within the framework of the legal framework, there are direct decrees that are aimed at developing and helping to promote export-oriented products: such, in particular, is the Presidential Decree "On additional measures related to the promotion of exports of non-oil products", which provides for payments from the state budget in the amount of 3 to 6% of the actual customs value of the exported goods, depending on the number of components manufactured in the country and resources of local production or origin (Jabiev, 2018). In addition, the rules and mechanisms for issuing payments were described, as well as lists of exported products to which export promotion is applied: they, in particular, include various types of vegetables and fruits, alcoholic beverages, clothing, some chemical products and many other goods.

It is worth considering the prospects and opportunities for Azerbaijan to introduce "green transformation" technologies and diversify the economy with its help. The very concept of "green transformation" means a combination of economic growth with concern for the environment in order to ensure a high quality of life for present and future generations at a level achievable through civilizational development, as well as the efficient and rational use of available types of resources. However, there are several possibilities in view of which

it allows for the diversification of the economy. Firstly, due to the current trend towards "green technologies", it should be expected changes in global markets, in which the trend towards environmentally friendly products will gradually increase. Therefore, the countries that are the first to be able to take places in the newly created market will have a more advantageous position; in other words, the transition to green technologies is likely to change the global competitive environment in favour of these countries (Mealy & Teytelboym, 2020). Thus, Azerbaijan will be able to achieve an increase in the export of these types of products, and thus achieve a higher level of diversification. Secondly, the creation of "green" products will probably provide an opportunity to increase the level of competitiveness of their own Azerbaijani enterprises in the domestic market, which will reduce the level of the state's import dependence on certain types of goods.

The most promising for the subsequent development of the "green economy" in Azerbaijan are probably energy, transport and agriculture. In terms of energy, solar, wind, hydropower, biogas and thermal potentials have been found in the country, which are quite significant (Mustafayev *et al.*, 2021). The development of solar energy is facilitated by a significant number of hours of sunshine per year: its introduction would solve some problems with energy supply in certain regions of the country. The mountainous terrain contributes to the development of wind energy, allowing the installation of wind turbines in some regions, in particular, in Baku, Sumgayit, the Absheron Peninsula, the Caspian Sea Zone and the right bank of the Kura. The development of hydropower is helped by significant water resources, in particular, numerous rivers in the lower reaches of the Kura; although there are large hydroelectric power plants (HPPs) operating in the country, there is still untapped water potential. The use of biomass in the country is facilitated by the high level of development of the agricultural sector (Mustafayeva & Jafarli, 2022), and in terms of geothermal energy, it is promising to use thermal water reserves in the Greater and Lesser Caucasus, on the Apsheron Peninsula, on the slopes of the Talysh Mountains, in the valley of the Kura River and some other places (Aliiev & Ismailova, 2015).

For the development of "green" energy, Azerbaijan received assistance from the European Bank for Reconstruction and Development (EBRD); the country continues to cooperate with the organization, developing and implementing new projects every year; in addition, there is interaction with other organizations (The EBRD, 2022). As for the country's policy in this industry, the State Agency for Alternative and Renewable Energy Sources of Azerbaijan can be considered the main body responsible for its development, and from the latest documents describing the strategy for its development and regulating it, Decree of the President of the Republic of Azerbaijan "On Measures to Create a "Green Energy" Zone

in the Territories of the Republic of Azerbaijan Liberated from Occupation” (2021) can be mentioned, the attention should also be paid to Decree of the President of the Republic of Azerbaijan “On Approval of the “National Priorities of Social and Economic Development: Azerbaijan 2030” (2021), which also mentions the development of the alternative and renewable energy industry.

As for the “green transformation” in agriculture, the main environmental problem of the industry is “semi-nomadic extensive animal husbandry”, as animals eat more green cover than the land can subsequently produce (Hajiyeva, 2018). In areas where large livestock were grazed, the land is subject to trampling, resulting in erosion. The reason for this is the economy of enterprises on feed, which creates the need to develop new types of feed in order to increase nutritional value, without increasing the cost, or reducing the price of them. A serious problem is the inefficient use of water resources, for the solution of which the sector requires the introduction of resource-saving technologies for irrigation. Also, an important modern goal for environmentally friendly development of agriculture is the transition to intensive principles of development. The state should encourage such activities through financial or any other mechanisms.

The role of the introduction of “green” technologies in the transport industry is justified by its high level of pollution. For Azerbaijan, this is especially true, since the number of cars has increased significantly in the country, which poses a threat to its environmental safety. It is worth noting that not only cars as such, but also gas stations with roads cause harm. Naturally, the functioning of the economy in modern conditions without these attributes is impossible, however, in order to carry out a “green transformation”, a country must pursue a policy of minimizing the harm from such pollutants. The country has taken some measures to reduce pollution, in particular, it has adopted the use of unleaded gasoline exclusively, which helps to reduce the rate of pollution of the external environment. To solve the existing problems in the transport industry in terms of its environmental friendliness, some recommendations can be made: to increase the efficiency of organizing management activities in the field; promote the renewal of the vehicle fleet, the technical base, as well as the modernization and application of modern technologies at enterprises; develop environmental training among transport professionals, etc.

DISCUSSION

The role of economic diversification for its healthy development is studied by A.M. Jolo *et al.* (2022). In their paper, the scholars mentioned that empirical studies showed a correlation between economic performance, structural factors, and diversification. In addition, scientists noted that the factors affecting the level of economic diversification were still not fully understood, which

meant that each country would have its own characteristics of achieving it based on economic, political and even social factors. In turn, S. Jednak *et al.* (2016) also praised the role of economic diversification in the development of the country, as it allows making the economy more resilient in relation to various shocks and imbalances. In other works, scholars have also supported the role of export diversification in economic development. So, V. Sarin and S.K. Mahapatra (2020) that export diversification has a positive impact on economic growth regardless of the nature of the economy (with the exception of a few studies that have shown mixed results). In addition to it, they noted that the subsequent achievement of diversification will allow them to achieve better financial results, especially for developing countries.

It was shown above that Azerbaijan is a country that has a huge dependence on oil exports. Indeed, among economists it is generally accepted that trade liberalization, and hence the specialization of the country in the production of one or more types of products, leads to an increase in the level of general economic welfare. However, as it was noted by J. Lee (2011) in his work on the interaction of export specialization and economic growth, the specialization brings the most benefits to countries that produce high-tech products that create more value added. Thus, although Azerbaijan received super profits from the sale of oil, however, in the long term, it should be focused on the non-oil sector. In addition to it, the resource specialization can become dangerous for future economic development due to the trend towards more “green” development methods (Pickl, 2019). In this regard, there is a popular hypothesis of “peak demand for oil” described in T.V.D. Graaf & A. Verbruggen (2013). Its essence is that in the future the price of oil will reach its peak value, after which it will only begin to decline. The reason for this may be several factors: the massive transition of countries to “green” energy sources, the reduction in energy consumption by newer technologies, as well as the development of energy saving technologies. Thus, for the main oil exporting countries, achieving diversification of the economy and exports should become one of the main long-term strategic development goals.

One of the most effective tools for promoting export-oriented products is public-private partnership, which is actively used in Azerbaijan as well. J. Mota *et al.* (2021) confirm the effectiveness of this method; in their work on evaluating the effectiveness of the impact of programs to promote the production of enterprises for export, the authors wrote that receiving such financing from the state really allowed companies more effectively promoting their own products for sales abroad, but subjected to the formation of the correct investment, financial and management strategy of the company. Thus, it can be effective from the point of view of the state only if there is a quality selection of enterprises to provide

such financing. S.H. Jajail (2012) also comes to similar conclusions in his work on evaluating the effectiveness of programs to promote export-oriented products based on Iranian companies, where the scientist described the existing relationship between export promotion programs and its level directly. Furthermore, the author noted that these programs are useful both in the short term (due to a temporary increase in the productivity of enterprises) and in the long term (by increasing the competitiveness of the products of this sector).

Thus, the public-private partnership, which plays an important role in the diversification of Azerbaijan's exports, the essence of which is to support non-oil exporters by making payments from the budget, was considered in their works by R.M. Jabiev (2018), describing the mechanisms and features of interaction between the state and export-oriented enterprises in the country, as well as some other features of the development of non-oil companies in the country. According to the scientist, such activities, carried out since the beginning of 2000, have brought significant benefits to the development of the Azerbaijani industry. However, in order to significantly reduce the share of oil products in the structure of exports, the state should allocate more funds and act more actively. Also, R.M. Jabiev (2018) proposes to replace oil products in exports through innovative technologies, which, in fact, is a fairly effective method of diversifying the economy and exports, which Kazakhstan has already proved by its own example (Sadyrova *et al.*, 2021). Indeed, a qualitative substitution of oil products in the country's exports is possible by increasing the export of products with a large added value, which includes certain types of industry and innovative products. In such a context, it would be effective to locate a site with a low level of taxes on the territory of the country to increase the attractiveness of the state for investment by transnational corporations (Shaqiri *et al.*, 2019). For the same purpose, the subsequent construction of techno parks, as well as the development of existing ones, is perfect.

The concept "green transformation" in the current conditions of world development is very common. The reason for this is the general trend towards sustainable development, that is, one in which economic development is carried out without the depletion of natural resources (Ruggerio, 2021). It is believed that such a development methodology will solve many existing economic and environmental problems, as well as create new sources for growth (Lavrinenko *et al.*, 2019). As P. Soderholm noted (2020), further challenges that economic, environmental and social problems may bring will still require a deeper introduction of "green technologies".

The above work described how achieving a "green transformation" can help a country increase its level of economic diversification. Definitely, the subsequent "greening" of the economy will help consolidate the position of Azerbaijani companies on the world stage in

the coming years, which, among other things, will lead to the diversification of the economy. For this, the state pursues an appropriate policy, but the question remains how effective it is. The EaPGREEN (Greening Economies in the Eastern Neighbourhood) report can help (Green Transformation, 2019). It draws the following important conclusions: there is political will in government to ensure green growth; the existing working group has proved useful in opening up a dialogue in government and sharing information to further improve the principles of green development; cooperation with GGI Global Alliance can be a starting point for future policy development in this area, as it provides a framework for individuals to evaluate their green growth decisions on the government agenda. It can be concluded that, according to the results of the study, there are prospects for subsequent "green" development in Azerbaijan. If the current trend continues, it should be expected significantly better results in this area, and hence achieving an increase in the level of diversification of the country's economy.

CONCLUSIONS

The work analysed the foreign trade of Azerbaijan, namely its export. The study showed that this aspect of foreign trade was very concentrated both in terms of countries and types of products. The reason for this is a significant share of oil in the country's foreign trade. In addition, this makes the state more vulnerable in the event of an economic (or other) crisis that negatively affects the price of energy. In the long term, it is necessary to improve the business climate and diversify non-oil exports. For an export breakthrough, it is necessary to expand the range and quality of goods to enter new regional markets. In this regard, modern methods used in the Republic of Azerbaijan were considered to achieve a higher level of export diversification, among which public-private partnership programs are mainly used, namely, encouraging the production of products for export by non-oil companies through payments. Among other methods of export diversification, one can note the attraction of investments in the industry and the construction of technology parks (development of the appropriate infrastructure).

In addition to it, the article analyses the possibilities of achieving diversification of the Azerbaijani economy through the "green transformation". One of these is the creation of more environmentally friendly products in production through the use of "clean" materials. In addition, the article describes the current state of achieving the goals of "green" economic development in the country. Since the main sectors for this are energy, agriculture and transport, the existing problems are described in them, and also indicates the prospects for their development. Although the existing methods of achieving "green" principles of the functioning of the economy may not be effective enough, however, as

studies and assessments show, the country has significant potential in the subsequent development of environmental friendliness. A promising direction for further research could be a more detailed description of the state policy

to increase the diversification of the Azerbaijani economy, as well as the search for other opportunities, in addition to conducting a "green transformation" and promoting export-oriented production, to achieve this goal.

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Диверсифікація через сприяння експортоорієнтованому виробництву та «зеленій трансформації» в Азербайджані

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Анотація. Диверсифікація є важливою складовою розвитку будь-якої економіки. Причиною цього є підвищення стійкості країни до зовнішніх подразників, що робить прогрес більш поступовим, постійним і передбачуваним. Отже, дослідження можливостей диверсифікації економіки є дуже актуальним, особливо в сучасних геополітичних умовах. Метою роботи було проаналізувати деякі методи диверсифікації економіки Азербайджану, а саме розвиток експортоорієнтованого виробництва та здійснення «зеленої трансформації». Основним методом при написанні статті став аналіз, але важливу роль також відіграли історичний, моделювання, дедукції, абстрактно-логічний методи. Так, у роботі було розглянуто та проаналізовано експорт Азербайджану, під час якого було виявлено значну залежність країни від продажу нафти на зовнішні ринки. Оскільки така перспектива є небезпечною для сталого розвитку країни, важливо здійснити певні заходи, спрямовані на підвищення диверсифікації її експорту. Насамперед, вони пов'язані з державно-приватним партнерством, але можуть набувати й інших форм, таких як залучення інвестицій та розбудова інфраструктури. Крім того, в роботі описано, як «зелена трансформація» країни може допомогти досягненню цілей диверсифікації економіки та на якому етапі знаходиться рівень «озеленення» економіки держави; в роботі також описані перспективи держави в досягненні цих цілей. Стаття привносить нові знання в розуміння особливостей функціонування азербайджанської економіки, а також в теорію економічного та сталого розвитку, а також торгівлі

Ключові слова: економіка Азербайджану, сталий розвиток, концентрація експорту, диверсифікація експорту, «зелена трансформація» бізнесу
