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Aghayeva Aytaj, fourth year, full-time student

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on

"Main Directions of the State Policy Aimed at the Development of the Tourism Sector in Azerbaijan"

Rector of the University: Dr. Muradov Adalat Jalal oglu

Scientific Supervisor: Director of Distance Tearning, Distance Learning and Additional Training Center of ASEU b / m. Tanriverdiev Sabuhi Miladdin

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**ABSTRACT**

Almost in the modern era, many other areas of service are also a mystery to anyone in the economies of the world's most developed economies. One of the most profitable areas in this regard is tourism. Thus, the countries of the world are deeply aware of the importance of the tourism sector day by day in ensuring the economical development of the desired level. I would like to point out that the hypothesis of the TLGH (Tourism-led growth hypothesis), based on the ELGH (Export-led growth hypothesis) hypothesis, also describes the analysis carried out by many researchers in this area. Thus, the issue will be addressed effectively, correctly, and at the same time taking into account the country's specific features (particularly in the development of the tourism sector) and maximizing revenue. There are a number of countries that are successful in regulating tourism. In this study, the experience of 3 countries (France, Spain and New Zealand) has been included. Historical features of the development of the tourism sector in Azerbaijan, the analysis of the state of the modern situation and the regulatory mechanisms have been studied. Finally, the tourism industry provides three of the few benefits that make the most profitable development. All visual images have been obtained from well-known sources at the international level.

Key words: Tourism, Economic Development, Regulation.Contents

**CONTENT**

İntroduction………………………………………………………………...1

CHAPTER 1. THE IMPORTANCE OF TOURISM SECTOR IN THE DEVELOPMENT OF NATIONAL ECONOMY AND THE INTRODUCTION OF THIS SECTOR'S REGULATION…………………………………………...4

1.1. Importance of tourism in the economy of the country ………..4

1.2. Methodological bases of state regulation of tourism sector21

CHAPTER 2. DİRECTİONS OF TOURİSM POLİCY FORMATİON İN AZERBAİJAN.........................................................................................................29

2.1. Current state of tourism sector development in Azerbaijan29

2.2. Main directions of state policy on tourism sector development

in Azerbaijan……………………………………………………………….…….37

CHAPTER 3. DEVELOPMENT OF THE REGULATORY STATE OF TOURISM SECTOR IN AZERBAIJAN AND STATEMENT OF STATE REGULATION OF THIS SITE……………………………………………..…...43

3.1. International experience in the state regulation of the

tourism sector........................................................................................................43

3.2. Improvement of state regulation of tourism sector in Azerbaijan 52

CONCLUSION………………………………………………...................59

LITERATURE…………………………………………………………....62

**Introduction**

The actuality of the subject. - Tourism is a major social institution that has a strong impact on the economy as well as a major indicator of culture and social well-being in society and plays a major role in raising people's living standards and morally enriching them. Obviously, tourism is a place where business people do not have a place of business for more than a year. When talking about tourism, we must first distinguish between tourism and travel concepts. If travel is temporary and voluntary, then it can become a component of tourism. The maximum duration of traveling for tourism purposes is one year and the minimum period is one night.[1]

Given that people are often traveling in the early stages of trade, we can see that modern-day tourism is more of an exceptional character. At first, it should be noted that low-efficiency trips, which have long been miles away for a long time, are much more comfortable in today's world as a result of improving air traffic.

Like many other countries, the Republic of Azerbaijan has defined its name as a pioneer in the globalizing, innovation-driven economic marketplace, with the name of the tourism sector to be among the most developed countries. Along with the presence of Azerbaijan's tourism potential, the measures are taken for the development of this sector in recent years, the improvement of the legal framework and normative base increase the prospect of tourism turning into a profit-making area. Firstly, the full use of the capacities of the capital Baku in this area is, however, in other regions

One of the main goals is to take measures to ensure the development of tourism, to start new projects, to increase investments in the tourism sector and to provide the necessary support. Currently, tourism is one of the strategically important areas both in the state and in the world, and the importance of time is growing. Each of the issues we mentioned is the actuality of the graduation work.

Subject and object of research. The subject of the research is generally the tourism sector, but the potential of the sector in Azerbaijan. The main subject of graduation work is the main directions of state policy in the tourism sector in Azerbaijan.

Chronological boundaries of the study. Research From the second half of the twentieth century, the view of the different aspects of the current situation in the tourism sector reflects the factors involved in the development of the field and its relevance.

Purpose and tasks of the study. The main objective of the study is to regulate the potential of the tourism sector to ensure economic development in the Republic of Azerbaijan, as well as to ensure the full and effective use of tourism resources, and to identify measures that can be taken to develop this sector. Accordingly, the following tasks have been set and implemented consistently in the case study:

- Theoretical bases of the influence of the tourism sector on economic development;

- defining the relevant state policy and its trends, including tourism-driven development pathways and the problems that may or may not occur at the time of achieving sustainable development;

- Investigating world experience in regulating tourism;

- Identify the location of the tourism sector in the economy of the Republic of Azerbaijan;

- Investigating the state policy and the work done in this sector in the Republic;

Research methods. The methodological basis of the research is the results of research conducted by local and foreign scientists in this area, the economic theory, the TLGH hypothesis, SWOT analysis, the Law of the Republic of Azerbaijan "On Tourism", the state programs adopted for the development of the tourism sector and others. normative acts of the Republic of Azerbaijan, the relevant decrees and orders of the President of the Republic.

The experimental base of the study. Experimental base of graduation work consists of reports and information provided by the Ministry of Ecology and Natural Resources of the Republic of Azerbaijan, the State Statistical Committee of the Republic of Azerbaijan, the Tourism Agency of the Republic of Azerbaijan, the World Travel and Tourism Council, the World Economic Forum, the World Bank and other organizations.

Scientific-practical significance of the research. The theoretical significance of the work is that the trends in the tourism sector's development that meet modern requirements, as well as existing and potential threats, have been identified.

The practical significance of the study is that its results can be used to formulate regulatory areas in the tourism sector in Azerbaijan, as well as to develop various projects and programs related to the development of this sector.

Structure of work. The essay consists of the introduction, two chapters, the conclusion and a list of used literature.

**CHAPTER 1. THE IMPORTANCE OF TOURISM SECTOR IN THE DEVELOPMENT OF NATIONAL ECONOMY AND THE INTRODUCTION OF THIS SECTOR'S REGULATION**

* 1. **Importance of tourism in the economy of the country**

Tourism is one of the most important manifestations of the era. The tourism laid back centuries ago has begun to say its word from the second half of the twentieth century. Thus, from the second half of last century, tourism has become a very important tool in obtaining a high level of overall economic well-being, such as the world, and has influenced the development of science and culture.

This sector has a number of unique features. The reason for the existence of tourism is natural, historical and cultural. At the same time, there are many types of market types in this sector. Terrorism, war, natural disasters, political and economic instability are factors that adversely affect tourism. Along with these, tourism consumption is a type of consumption that is not necessary.

In order for tourism to function as an activity, it is clear that a person or persons should travel to a permanent place of residence for a particular purpose. In this respect, tourism can be divided into many types based on different criteria selected. As an example, international tourism can be distinguished by the fact that residents of a country and one country are traveling to another country, traveling to other parts of the country, depending on the place of stay. The share of domestic and international tourism in general tourism varies depending on the country. Domestic tourism, especially in the case of India, is more urgent, but it can undoubtedly change depending on the distribution of tourist attractions and the overall level of tourism and transport infrastructure in the country. The major aspect of international tourism, which has different cultures, different people and, in many cases, longer distances, is that it brings foreign currency to the country. In addition, shorter duration (up to 3 days) and long-term (more than 3 days and 3 days), individual, group and mass according to the number of travelers, weather, automobile, rail, tourism types can be different. However, the most important aspect of the classification of tourism is the purpose of the journey. Thus, in the foregoing paragraphs, several tourism types will be explained.

Recreation tourism.

The most important type of tourism in the world is the rest of the world, where most people are present. In this respect, the population living in urban centers, where the dynamic economic activity and, thus, the stress level is widespread, are particularly different. In rural areas where a relatively quiet lifestyle is most commonly used for recreational purposes, tourism the role of the income level of the population living in such areas should also be noted.

The period covered by recreational tourism is quite stable. So summer or winter holidays for adults and workers coincide with the tourist season. When analyzing this type of tourism, there are a few key factors to consider. First of all, it should be noted that the most suitable places to spend the rest are tranquil climate and the proper infrastructure. Therefore, special attention should be given to the comprehensive management and development of such regions in order to increase the number of tourists.

As another important factor, it is possible to note the distance traveled during the journey. Thus, there is a very serious relationship between the distance between two points and the level of mutual tourist flows to that place.

In addition, the income level of the population also has a considerable impact on recreation tourism. For this reason, the main visitors to tourism regions with a specially developed and upscale infrastructure are those with a high level of well-being, while on the other hand, relatively poorly-equipped, but beautifully-naturalized areas are dominated by people with moderate to low-income levels.

In the end, the difference in trends in the choice of the place of rest should be noted in accordance with age. Thus, the elderly layers are mainly mountain meadows, lakes, woodlands and so on. relatively young tourists are coastal areas, places suitable for mountain climbing, and so on. they prefer to have more like adrenaline picks

Cultural tourism.

The type of tourism mentioned is the presence of people in their area of interest, participating in festivals or art exhibitions, visiting monuments, learning nature and so on. including the intention to deepen their knowledge of any historical-cultural destination [22]. Undoubtedly, cultural tourism is one of the oldest of all types of tourism. From ancient times, people have come to see places of interest, historical sites, museums and cultural-historical richness of this area. Cultural tourism, therefore, is a major source of economic benefits for museums and other historical sites. Of course, there is a cultural factor in all types of tourism, but this aspect of cultural tourism is the main one.

In the scientific literature, cultural tourism has been viewed as a separate category since the late 1970s after tourism market researchers and researchers determined that some people were traveling only to expand their existing knowledge of the culture and history of the site. First of all, it was thought of as a niche market, or more precisely, it was thought that people of a high degree of society with high literacy and deep thinking would only want to see something more than just standard things like sun, sand, and sea when traveling anywhere. Since the early 1990s, cultural tourism has become more and more popular. Depending on the traveling point, the share of cultural tourism in total tourism varies from 35% to 70%. In total, over 240 million travel worldwide includes certain elements of cultural tourism. It is worth noting that the purpose of the development of cultural tourism coincides with the tendency of preservation and protection of universal historical and cultural heritage. On the one hand, the growing demand for tourists has encouraged conservative economic and legal measures in this area. On the other hand, the increase in the number of travels creates serious problems, such as the excessive and unattended use of the objects of particular importance to the cultural-historical destination and value, and the damage to the integrity of these objects and to the presence of some extreme cases.

Thus, cultural tourism development and cultural wealth management should be carried out in parallel. Theoretically, this idea is quite ideal, but it is somewhat challenging to achieve that one of the practical ones is actually mutually harmful. As regards the protection of historic-cultural tourism objects, the more difficult it will be, the more profitability of that facility will be reduced to the tourism sector, but tourism stimulus measures will result in more intensive use of the facility and consequently more damages. For example, it is clear that the number of visitors has increased dramatically over recent years, as the tourists' interest in seeing the sloping Pisa tower become Italy's symbol. On the one hand, the increased interest in tourism and the increase in tourism in the area increases the importance of that tower, but the rise in this importance is crucial to protecting it from the harmful activities of travelers.

It can be said that, given the fact that the work in both directions is quite dependent on each other, the protection of the optimal level is particularly important in their regulation, as it does not hinder the development of cultural tourism or the historical- damage to cultural heritage.

Health tourism.

Health tourism refers to any kind of medical operations, intensive therapies, and so on. in many cases where intercountry and sometimes domestic travel is understood, such as the use of health care services. Of course, there are some reasons for the development of this type of tourism, and the most important of them is the continuous trend of increasing prices for health services in developed countries. Just like this fact, the citizens of such countries are more prone to this kind of travel. The main focus of such people is that of South and Southeast Asia, such as the Philippines, Thailand, and India, which have been chosen for this purpose with enough charm. Citizens of developed countries, along with quite affordable prices in these countries, also face these countries, which are selected with sufficient quality medical services. Apart from cheap and high-quality medical services, people also pay for tourism by going to this region, which is selected by exotic nature. Tourism services here serve as a side product, but in general, the share of health tourism in the tourism industry is not so low, for example, health tourism has played an important role in overall economic development in 2010 by bringing about $ 1 billion in the economy to a large country like India.

Religious tourism.

From the time of the creation of religions, people came to certain sacred places in order to fulfill the requirements of different rules contained in these religions, such visits and, in general, such religious motives are the essence of religious tourism.

The main feature distinguishing religious tourism from the previous period is the level of transport development that undoubtedly, the recent development of the domestic and international transport network has dramatically increased the number of visitors in religious tourism as in other tourism types. Religious tourism is one of the fastest growing segments of the entire tourism industry. According to the World Tourism Organization, more than 300 million worldwide, in other words, a quarter of all tourists travel to different religious places, and in general, the number of domestic and international travels is about 600 million.

In some literature, religious tourism is described as a branch of cultural tourism. Indeed, there is some truth in it, as in religious tourism, as in cultural tourism, the main purpose of people's journey is to visit any historical and cultural place to visit it. However, in each case, the most important and distinctive aspect of religious tourism is the consideration of religious motives and is more appropriate for regulating this area.

Religious tourism can be short or long term. Short-term religious tourism is reflected in religious visits, accompanied by smaller distances. In most cases, travel to local or regional religious centers, celebrate any religious holiday, attend religious gatherings, and so on. the purpose here.

Long-term religious tourism is a tourism that takes longer time, days, weeks. In this type of tourism, in many cases, religious sites are located outside the country. From this point of view, the cities of Rome and Mecca are distinguished by their international tourist attractions.

Ecotourism.

Ecotourism is the main distinguishing feature of people's traveling to the natural corners of their interest in the attributes or features of their particular interest. It would be wrong to note that factors such as enlightenment, recreation and, in most cases, adventure tourism are found in this type of tourism.

By contributing to the protection of ecosystems and minimizing environmental damage, it also contributes to the protection of animals and plant species, landscapes and other components of the area in general, thus improving the tourist attractiveness of the site and thereby enhancing profitability in this sector. It would be wrong to say that ecotourism is simply a picnic in nature, as travelers of this type of tourism are interested in exploring the natural history of the area as well as the traditions of the local population. Thus, the factor of enlightenment in ecotourism should be mentioned first of all.

It is clear that every continent of the world is distinguished by its unique flora and fauna. Participants in ecotourism are interested in catwalks, elephants, even whales and other animals living in water and all kinds of such diverse species. The economic benefits of this type of tourism should not be ignored, regardless of what kind of interest they may have. For each country, its wild nature is of great importance as a tourist attraction and thus a source of income. For example, Higgenbottom notes that the extensive business of gorilla tourism in Phillip Island (South Australia) brings high profitability, with the help of these financial resources to prevent illegal hunting in the area, as well as the use of turtles, penguins and other similar wildlife protection programs, has been instrumental in making it. Additionally, as a result of a special study carried out in Kenya's Amboseli region, ecotourism use of elephants and lions can be attributed to the fact that they are more profitable than the use of fishing industry for various purposes [2].

Educational tourism.

First of all, it is necessary to define the concept of education in tourist and educational tourism. Thus, the main purpose of a person older than 15 is to travel to traveling tourism, such as traveling tourism, with knowledge of his specialty or personal interest, rather than to pay for his or her free and paid labor activity at his place of residence [3]. Education should not have any compulsory responsibility except for education at the point where the tourists go to school. Such tourists may take part in activities that use and organize the social, cultural, natural and other resources of the place where they are temporarily staying, the products and services offered here, as well as the appropriate equipment of the trainee.

In education tourism, in most cases, traces of ecotourism, cultural tourism, and other similar types of tourism are felt, so the student coming to study does not just restrict his / her activities and also makes trips to see nature and historical and cultural places. The most widespread form of such tourism is the exchange of student exchanges among educational institutions, as well as educational programs abroad, with the main objective being to train specialists and to promote cultural diversity by bringing together diverse environments with local communities. Examples of educational tourism include student enrollment, university trips, short-term courses, winter and summer schools, language courses, international volunteer programs, personal development and practice programs, seminars, and more. can be shown.

According to the Organization for Economic Co-operation and Development, 53% of those who benefit from education abroad in 2014 are students from the Asian continent (mostly China, India, and South Korea). It is also noted that the European continent is the main region hosting such students by 48%. Additionally, in 1975, only 800,000 students were educated outside the country where they were living, and in less than 30 years, this figure rose to 4.5 million in 2012.

The factors that students are particularly proud of in the countries and universities they are facing are:

• Worldwide coverage of the country's official language

• Education level

• Level of tuition fees etc.

This sector has a dynamic (non-static) feature. Technological developments are affected very quickly. In terms of tourism and demand, special social, psychological, political factors, fashion and so on. plays an important role.

The absence of a complete and accurate assessment of tourism costs will result in a failure to fully reflect the position of tourism in the national economy.

Through tourism insufficiency, it plays a major role in the development of the economy both nationally and internationally.

The development of the tourism sector in any country has a positive impact on the local economy, either directly or indirectly. First, it should be noted that one of the most important sectors involved in the entry of foreign currency into international trade relations is exactly the tourism sector. As a result, it is possible to attract production capital to the country. At the same time, the process of development of other sectors of the economy is accelerating. The essence of foreign currency is that it is also used for the formation of the international reserves of the country and in the general import. Then tourism stimulates new investments, improves competition, and improves human capital.[4] The basis of the tourism sector is mainly based on four economic factors: human capital, physical capital , environment and technology.[5] Given that human capital is one of the most important pillars for organizing tourism, we can see the possibility of moving the national economy forward by increasing the revenues of the state budget through both the local population's revenues and the taxes paid through the opening of many new jobs. Generally speaking, taking into account the peculiarities of this sector, it becomes clear that businesses are better for the country's economy if it is built on investments by local residents. The high taxes are often the reason why foreign companies are not inclined to trade with local suppliers across the country. This leads to the emergence of earned currency revenues from the country, as well as the weakening of the multiplier effect. It also provides a lower level of economic development.

Another issue to be addressed is the direct, indirect and induced (multiplicative) effect of tourism on other sectors. It is difficult to measure this impact, although it is known that tourism has a significant impact on other related sectors since tourism has a unique and distinctive feature.

Generally, from the beginning of the 1990s, the World Tourism Organization's influence on tourism on the economy, investment, production, labor, etc. the publication of a series of tailor-made publications has helped many countries with tourism potential to pay more attention to the economy and pay more attention to its development.[22]

Table 1.1. Indicator of top 15 countries earning revenue from tourism.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Line | Country | International Tourism | Domestic Tourism | Share of tourism in GDP |
| (bln) | (bln) | (%) |
| 1 | USA | 200.669 | 802.847 | 7.74 |
| 2 | Demon | 125.308 | 840.932 | 11.03 |
| 3 | Spain | 75.4244 | 59.3504 | 14.86 |
| 4 | Thailand | 59.6295 | 15.4707 | 21.18 |
| 5 | Germany | 50.4469 | 339.742 | 10.65 |
| 6 | France | 50.3071 | 127.466 | 8.94 |
| 7 | Italy | 44.9105 | 148.982 | 13.01 |
| 8 | Hong Kong | 39.2111 | 11.2562 | 16.65 |
| 9 | United Kingdom | 35.628 | 169.584 | 10.52 |
| 10 | Makau | 35.6132 | 1.06257 | 61.27 |
| 11 | Turkey | 31.3064 | 26.7328 | 11.61 |
| 12 | Russia | 14.3989 | 41.805 | 4.83 |
| 13 | Iran | 4.55507 | 16.3924 | 7.31 |
| 14 | Azerbaijan | 3.23889 | 1.09756 | 14.58 |
| 15 | Georgia | 2.9848 | 0.767583 | 31.01 |

According to Table 1.1, [23]tourism in the two countries with the world's strongest economies such as the US and China is estimated to be 1 trillion. The vast territory of these two countries has a significant difference in income from domestic tourism, which is significantly different from that of foreign tourism. However, this does not mean that the land may affect tourism in the same way as income from tourism in all countries. This can be different in different countries. For example, unlike the countries in Spain, which are in the same region as France and Italy, international tourism is relatively more profitable than domestic tourism. Similarly in some other countries, as well as in Azerbaijan. There may be various reasons for foreign tourism to generate more revenue than domestic tourism. One of these reasons is the income level of the population. In countries with low incomes, domestic tourism is poorly developed, and as a result, income from this area is also decreasing.

Global economic crises, political instability, terrorist-related incidents and other natural disasters that have taken place in recent years have a negative impact on the income of the population. This creates serious problems in the development of the tourism sector. In spite of all these problems, the tourism sector has recently been marked by positive indicators. It should be noted that only 116 million new jobs have been created in this area due to the development of the tourism industry, which has a share of 3.2% in the global GDP growth in 2017. Overall, these figures are 10.4% and 313 million (roughly one in every ten jobs). It is also worth mentioning that in 2017, 6.6% of total exports and 30% of service exports are in the tourism sector.[23]

Speaking about the tourism industry, it's important to talk about its importance. There are many important reasons for this sector, of course, the natural conditions of the first country to which we are cognizant, and if we explain it more clearly, its rich natural resources. It is known that tourists mainly value the culture, historical monuments and the richness of nature. In the event of a demand for tourism, the high quality of the relevant infrastructure and services is crucial to meeting this demand, which in turn requires effective tourism management.[3] One of the indicators is the availability of space for tourism and the level of development of the transport system. It can be remarkably accurate that the existence of the airline at a reasonable price to the destination is one of the most important indicators that will increase the flow of tourists going there. It is evident that the actual upgrading of information and communication technologies in the past decade has had a strong impact on the level of awareness of consumers in this field and, as a matter of fact, has led to an increase in competitiveness in the market. In this highly competitive environment, choosing and implementing well-thought-out marketing and advertising strategy is no longer an option, but a demand. One of the factors that make a particular place in the tourism sector is demographic factors, such as increasing the number of people in the world at a considerable and rapid rate, as well as increasing the average life as a result of improved healthcare services, and thus resting for older people, more time allocation has substantially increased the demand for international tourism. Finally, it is important to emphasize the impact of GDP on the country, which has a strong impact on the development of the tourism sector. The rapid growth of GDP also leads to an increase in the overall national income. Of course, the high-income budget for the tourism sector will be higher than the population with lower income. And if we talk about tourism in a globalized world, we must talk about the trade relations between the countries that are becoming increasingly intensive in this modern economic environment. Based on this intensification, the share of business tourism in total tourism has grown considerably over the past 20 years. Due to the high level of income of tourists coming to business travel in the country, they make more money for the country by spending higher amounts of money than other tourists. One of the positive aspects of globalization for the country's tourism sector is the increased foreign investment and franchising services in the country. In this regard, influential hotels, restaurants and café networks are also operating in the country. However, it should also be noted that these enterprises are weakening their multiplier effects as a result of their weak relationships with the local environment or, in some cases, the lack of links.

While studying the impact of tourism on the economy, the issue can be approached from both the theoretical and the empirical aspect, but the experimental evidence of the effect and the theory do not complement each other at some point. The reason for this is that, in many cases, there are some differences in the homogeneity and comparability of the selected data, the more obvious deficiencies in terms of space, time, and methodology.

From a theoretical perspective, we can see that the analysis of the relationship between tourism and economic development is possible in three ways:

a) Short-term analysis, based on Keynes's revenue multiplier, also calls it tourism multiplier;

b) An approximate equilibrium model. In this model, the relationship between the tourism sector and other sectors is investigated;

c) long-term approach to endogenous or exogenous growth models

One of the theories that suggests the possibility of developing a national economy through tourism is TLGH (Tourism-led Growth Hypothesis). The TLGH is linked to the endogenous growth model and is derived from ELGH, which is an economic growth theory, driven by the fact that it is possible not only to increase capital and labor but also to stimulate exports and provide economic development.[2] The study of this theory is based on the model of 187 countries with different advantages and disadvantages, differing from the level of economic development by the "Rimini Economic Research Center", as well as from different geographical regions. The period covered by this model dates back to 1995-2009. It can be noted, however, that the model is based on research conducted by different researchers at different times, primarily exploring the relationship between tourism and GDP growth.

In this regard, we can note that the two theorists, named Lanza and Pigliaru (1995), applied the double-endogenous economic growth model to the tourism sector as the primary theoretical basis. It is assumed that there are two sectors in the economy, the first sector is specialized in the production of goods and the other sector is specialized in tourism products. The main purpose of introducing this idea is to verify that the share of tourism in economic growth is less than that of the other sectors, whereas the technological development in the manufacturing sector is faster than the tourism sector. At the same time, the share of tourism in the economic growth of tourism in this model indicates that the share of the manufacturing sector exceeds the technological difference between trade and trade only.

There are two types of research in the empirical aspect.

Keys studies

• Investigations using indicators of two or more countries.[2]

Keys studies have long been considered more relevant than others. This is because of the difficulty of getting data from other countries. The first one was conducted in China in 2001, and one year later, TLGH analysis was first conducted in Spain. This type of analysis was followed in many countries.

Then, we can mark Braun's research in 2004 and 2007, including data from several countries. This research has ultimately resulted in a higher rate of growth in the growth of the economies of developing countries in the tourism sector compared to other countries (especially developing countries, especially oil-exporting countries, etc.). Also, smaller states specializing in tourism have faster developed compared to smaller states specializing in other areas. Finally, these studies indicate that the smallest state is not a weak development of its economy.

In 2007, Sequira, a scientist who analyzed the role of the tourism sector in low and middle-income countries, noted that this sector is a stimulus for the development and economic development of those countries. In his opinion, tourism is of great importance for the development of small-income countries, but this is in contrast to countries with strong economies. Sequira then added a similar comment to his opinion in 2008. The tourism sector plays a key role in the development of any country, but its impact on low-income countries is far greater than that in other countries. Sequira points out that Brown has overcome shortcomings in the idea that tourism is effective in small economies, but also emphasizes the dependence on the country's overall income rather than the fact that the main issue is small or large economies.

In 2010, Figini and Vici analyzed the data covering the 1980s and 1990s, and the link between re-tourism specialization and economic development was confirmed. Additionally, they point out that the inaccuracy of the data in those years did not provide a powerful role for strongly specialized tourism to play a major role in the growth of economic growth. The tourism sector is not much different from the economic development of a developed country's economic development. It should not be forgotten that the development of other sectors in the tourism sector at any stage of development should be sought that the rate of growth of economic development maintains its sustainability. Another point related to these scientists is their country of economic development with the countries that have been pursuing sustainable use of their natural resources. They noted that such economic development could face challenges in the future.

When it comes to exploitation, one more issue needs to be clarified. As you know, each country has its own natural resources. The most common ones are water, air, forests, land, energy, raw materials, seafood and so on. All these natural resources are of great importance to human life. At the same time, these resources are of great importance for the tourism sector. The inefficient use of these resources can create a hazardous situation for the country's economy, along with the tourism sector. Let's clarify this issue with missiles. If a country is unexpectedly unexpected in the tourism sector, the project will support the sector and the reconstruction works will be carried out in the country. Ineffective work (deforestation, incorrect use of soil, etc.) can lead to the loss of natural resources. This creates serious threats to sustainable development.

Summarizing all the above points we can see that the relationship between tourism and economy is one of the four forms we have mentioned below.

- The development of the tourism sector promotes the rapid development of the national economy.

- Economic development promotes the development of tourism

- The two ideas we have mentioned above show up together. In other words, the development of the tourism sector by promoting the economic development of the tourism sector has led to the development of tourism and is being realized together.

- There is no connection between these two concepts.

It should be noted that these four cases may differ in different countries in the long and short term.

**1.2 Methodological bases of state regulation of tourism sector**

The role and importance of the tourism sector in the current economy requires a more serious approach to its regulation, as the outcome of this area is important for the society as a whole, and on the other hand, it has long-term character.

Regulated means that any regulatory authority has a targeted impact on the adjustable object. The main regulator in the tourism industry is the state and the key issues to be regulated in this sector include the creation and improvement of infrastructure, use of land, density of tourists, propagation of natural and cultural resources, etc. it applies. A few years after the Second World War, the revival in the tourism industry required the intervention of the state in this sector and the state's role in ensuring the development of this sector has begun to increase.

Generally, there are 5 basic approaches-models depending on the areas to be focused on in regulating tourism. "Busterism", "Physical-Territorial Oriented Approach", "Economic Approach", "Public Approach" and "Sustainable Approach"

This is the Busterism approach that we will first mention. The main idea of ​​this approach is that the development of tourism will be beneficial to the local economy in any case. This approach does not take into account the views of residents regarding the proper settlement and planning arrangements in which the tourist station is to be established. Negative effects on this approach are ignored and positive effects are thought to overwhelm them. From here we can define that the priority is to attract tourists to the area regardless of the problems that may arise. This, of course, will primarily reduce the level of unemployment in the area, improve the well-being of the population, and consequently the lack of proper use of resources and the resulting pollution, stagnant erosion, and so on as a result of unfavorable strategies. it will create an environment where such problems are inevitable. Also, the cost of these problems will overpay the incomes.

Another approach is physical-territorial orientation. This approach is based on the strategy that is based on the minimum level of damage to the environment and the use of resources properly and efficiently. At the same time, risk management is also taken into account when managing resources. This approach, in contrast to the rest of the environment, supports construction work with the protection of the environment and the creation of the necessary environment for tourism. However, there are some limitations that result in a decrease in revenue from this area due to the inadequate supply of the necessary infrastructure to the tourism sector. In this regard, we can say that the main problem of this approach is the lack of balance between proper use of resources and economic profitability.

Economic approach, along with the development of tourism in the area, is aimed at achieving economic growth and growth, which mainly focuses on economic impacts. Also, this process is expected to be implemented through marketing and propaganda. The main goal here is to achieve positive economic effects, such as reducing unemployment, attracting currency flows, increasing budget revenues and improving infrastructure. Considering all this is a positive aspect of this approach, but the main weaknesses are ignoring the negative impacts on society and the environment, and the uncertainty of tourists to be satisfied with their service.

The social approach focuses on both social and political aspects. This approach is based on the approach of local residents to the development of tourism, as any positive or negative impact affects them first. The measures taken include protection of monuments and cultural and historical values, as well as respect for them, protection of natural resources and so on. we can show. In addition, considerable attention is paid to the distribution of income from tourism to the indigenous population, which is the positive side of this approach as it increases the level of well-being. The weakness of the approach is that this vulnerability is the problem of the lack of skilled cadres in more developing countries, which is why it is impossible to achieve the desired level of prosperity.

 Finally, in a Sustainable Approach, all activities are undertaken taking into account natural, social and economic factors, and in general the main purpose of this approach is to ensure the long-term development of the sector.

It is well-known that the development of the tourism sector is one of the most important opportunities for many countries and regions to contribute to the well-being of the country. Nevertheless, when the tourism sector intensively develops, that is, rapidly turning the country into a turbulent country, the mountain landscape, water resources, and the coastline may have a serious deterioration in the impact that this rapid development has brought. For this reason, one of the main goals of the tourism sector regulation is to ensure that this area is environmentally friendly and sustainable in terms of profitability. Nevertheless, tourists coming back to the country must return to their destinations, as well as raise the living standards of local residents. The impact on the living standards of the local population is due to the fact that the increase in the number of tourists coming to the country results in an increased demand for resources, which are used by tourists as well as by local people. Therefore, the importance of maximizing the use of these resources is, in any event, one of the strategic goals for all countries. In other words, the factors we mentioned are inextricably interconnected, whereas maintaining balance between them.

Introducing the Concept of Sustainable Development with the slogan "Common Future of All," by the Brutland Commission in 1987, has led to a more sensitive approach to environmental problems since the early 1990s. It is worth noting that one of the most important factors influencing tourists when choosing their destination is an environment and, given the fact that this factor has an indispensable role in the development of the tourism sector, in fact, these resources (including natural, historical and cultural resources) and the protection should be considered as one of the major tasks for all countries that are focused on the development of this sector. Creating organizations for the protection of the environment, such as the Green Earth, also aims at establishing a state policy that emphasizes the development of this issue on the international agenda, and in this regard, the protection of the quality of environmental resources in the organization of the tourism sector, as well as the most appropriate strategy the basis for the selection.

When working on the development of the tourism sector, the following factors should be considered for the natural environment:

• Biodiversity and ecological balance sensitivity;

• Reduction or depletion of water resources;

• Water consumption;

• Intensive use of soil and its physical effects;

• Atmosphere protection, visual effects and noise pollution

We all know that one of the biggest problems in the globalizing world is the lack of water scarcity. Water shortage is also a major threat to the tourism sector, with its direct or indirect impact on many areas of the economy. Excessive wastage of water in tourist zones in the country leads to water scarcity. The consequence is that the local population is unable to provide farmers with water, and then the productivity drops. Normally, this leads to price increases.

Increased tourist activity such as coastal, snorkelling and fishing in offshore areas causes fishing industry in the country to worsen and, in general, underwater life. At the same time, we can say that the use of various types of water-borne vehicles such as motorboats, boats and boats poses a great danger for both the water resources and the living creatures living there. Nowadays, the number of vehicles we celebrate in the Caribbean Sea is increasing with corpses of coral fibers in the area. Damage to these fibers, as well as other marine resources, has a major negative effect on the future tourism attractiveness of that area and the activities of local fishermen.

In addition to the inadequate use of natural resources, the other problem created by the tourism sector is the pollution of the environment by waste. One of the easiest ways to get rid of waste is recycling. But, unfortunately, in many developing tourism countries, the technological area has not developed so much. For this reason, it is impossible or impossible for many years to be wasted in nature at tourist facilities, beaches and forests, so the environment is polluted.

In addition to this, due to the excessive consumption of energy for the tourism industry, it is not possible to disregard the negative impact on the environment. Here, in the major theoretical countries and in tourist regions located in tourism-active regions, mainly in hotels, in the hostels, air conditioning, other heating appliances, appliances used in high energy consumption, fuel-consuming vehicles, and so on. or because of the environmental pollution caused by the pollution of the environment.

Another danger is the violation of the unique flora and fauna owned by the region in the case of neglected activities in the tourism zones, such as subsoil and so on. Misalçının people in the deserts of Africa, in the desert of the animals entering the car by entering their lifestyle damages the living values ​​of this zone.

Taking into account what we are saying and many other problems, a number of countries and regions that have an important place in the tourism economies are concerned about the sustainable development of the tourism industry, which ultimately is essential for ensuring sustainable development of the sector, in return for stimulating socio-economic benefits, measures have been taken at the international level to reduce the impacts, and agreements have been reached. A comprehensive report on sustainable tourism development, prepared by the United Nations Tourism Organization on the recommendation of the "World Tourism Organization," provides a definition of achieving sustainability in tourism. Clearly, in order to ensure that tourism activities are effective and durable for a long time, there is a need for mutual balance between the following 3 directions of development. Thus, in sustainable tourism:

• Ensure the efficient use of natural resources, one of the key factors for the development of the sector, which includes the protection of natural heritage, ecological processes and biodiversity.

• Respect for specific cultures of local communities, relevant historical buildings, as well as national values ​​and cultural heritage protection must be made and every effort must be made to understand all the factors mentioned.

• Economic activities should be undertaken to ensure that the earnings that will be generated in the long-term, as well as other different socio-economic benefits, are equitable for every individual working in the field of tourism. These activities include the provision of permanent jobs, social services and all kinds of income opportunities for the local population. Along with these, the poverty level in the national economy and overall prosperity will generally have a positive effect.

In the case of sustainable and rapid development of the tourism industry in the country, it is necessary to take into account the factors mentioned above by the competent authorities of the country, and to take appropriate administrative measures to ensure that they are provided. As you know, achieving effective tourism development is long-term. This process necessitates continuous oversight of the measures taken together with the implementation of the necessary adjustments. At the same time, it should be noted that, when establishing a sustainable, effective tourism structure, tourists are informed about the above mentioned factors, as a result of the fact that they have a comprehensive knowledge of the dangers and risks that may arise in the present situation, without any unforeseen occurrence of travel, is one of the most important issues.

SWOT analysis is now familiar to many of us. As in all other areas, it is possible to use it in the tourism sector, to assess the resources available to any region, the factors that may affect the sustainable development of tourism, and to summarize all those mentioned above. At this time, the following situations may be possible.

• Powerful Strengths:

 Natural and local resources of the area, namely historical monuments, strong infrastructure, natural charm, etc. we can list;

 Active support for local community's development of tourism;

 The high level of required training and preparation of the required workforce, for example, the number of trained hotel staff and so on. ;

 The correct management system that ensures efficient use of the above-mentioned factors;

 Availability of financial resources.

• Weaknesses:

 a lack of unique and significant attractions to attract tourists;

 The low availability level of the area, the low transport system in the area, and the state of the transport brings high transport costs.

 The lack of public opinion for the development of tourism;

 The majority of workers who do not have training and are in need of qualified personnel.

• Opportunities:

 Realization of protection of cultural and natural heritage;

 A number of economic benefits, such as the decline in unemployment and the increase in currency earnings;

 Improving the image of the country where selectable and unique services are at a high level.

• Threats and constraints:

 environmental damage, resource exhaustion problem;

 lower service standards, dissatisfaction of tourists;

 Unsafe environment, etc.[19]

As it is well-known from the above mentioned that, while the resources available in the tourism industry are managed correctly and efficiently, a serious revival in the country's economy and long-term development are expected, but inefficient and uncontrolled exploitation of the wealth, despite the short-term advancement of the tourism sector, the rise in price levels in the economic environment.

**CHAPTER 2. DİRECTİONS OF TOURİSM POLİCY FORMATİON İN AZERBAİJAN**

**2.1.** **Current state of development of tourism sector in Azerbaijan**

In the modern world, the importance of the tourism sector for each country in terms of economic development was mentioned in the previous sections. Taking this into account, it is possible to do considerable work to diversify the economy by maximizing the potential of this sector in Azerbaijan.

During the years before independence, during the years of USSR, there have been some improvements in the development of tourism through the organization of small excursions for factory and factory workers and then in a more massive format. Nonetheless, the undeniable fact is that in the same period in the western states, just as in other sectors of the economy, the private sector has not been the dominant position in the development of the tourism sector, which is directly related to administrative management .[9]

It should also be noted that at that time, international, notably inner (union) tourism developed. Foreign trips to the country were mainly of official character, in which the main reason was still the existing management system and the closed economy. Nevertheless, the "Tourism Week in Azerbaijan" event held in Paris in 1971 was highly appreciated for the revival of tourism in our country. Various informative presentations about Azerbaijani tourism were held during this week's event. As a result, relations with the socialist republics in the Eastern bloc have been based on tourism, and compared with previous years, there has been a relative increase in the number of foreign tourists traveling to the country .

After the independence of our country in the early 1990s, with the collapse of the previous system, tourism activities began to be rebuilt. It is worth mentioning that the occupation of about 20% of the internationally recognized official territories in the Karabakh war is occupied by the fact that these territories have a high potential for tourism, with the mysterious nature of the natural environment and the presence of great historical and cultural heritage and, unfortunately, that in the present situation our Republic is still deprived of its potential. Nevertheless, the consensus on the cease-fire has played an important role in establishing a tourism market in the country.

Until the end of 1997 major major hotels and other recreational infrastructures in Azerbaijan were owned by the state, and after that period, the public property privatization was started by the Central Property Committee, which was marked by the decree of the President of the Republic, in the market economy .

Since the early 2000s, focusing on more specific and purposeful activities in the tourism sector has resulted in significant improvements in the sector and thereby created favorable conditions for its sustainable development. An example of this is the fact that Azerbaijan joined the World Tourism Organization in 2001. Our country's membership in this organization was an effective advertising of Azerbaijani tourism internationally, and indeed, after that, significant progress has been made in the tourist flow to the country.

Located in the South Caucasus region and on the western coast of the Caspian Sea, Azerbaijan is primarily a modern tourist infrastructure and has a great historical heritage which has a very attractive natural environment with its capital city of Baku, as well as regions with cultural and historical monuments, have found itself in world tourism.

Table 2.1. Key indicators of hotel and hotel-type businesses in Azerbaijan. (2007-2017)

|  |  |  |  |
| --- | --- | --- | --- |
| Years | Number of hotels or its kind | One-time capacity | Number of rooms |
| 2007 | 320 | 25483 | 11829 |
| 2008 | 370 | 28286 | 12789 |
| 2009 | 452 | 30571 | 13964 |
| 2010 | 499 | 30793 | 14158 |
| 2011 | 508 | 31979 | 14815 |
| 2012 | 514 | 32834 | 15898 |
| 2013 | 530 | 33951 | 16559 |
| 2014 | 535 | 35652 | 17363 |
| 2015 | 536 | 37278 | 17953 |
| 2016 | 548 | 40042 | 20330 |
| 2017 | 563 | 42052 | 21553 |
| Annual average increase (%) | 5.65% | 5.01% | 6.00% |

According to Table 2.1 , it can be noted that the tourism sector experienced a certain degree of self-improvement in recent years. The number of relevant infrastructure has increased as a result of the existing potential and work done in this area. Thus, in the period of 2007-2017, the average number of hotel and hotel-type enterprises in the country increased by 5.65% per year. However, this tempo was slightly higher than in 2007-2010, then weakened by 2015, and finally, by removing the licensing process in this area in 2015, as shown in the table, the rate of growth compared with the previous years has risen.

In general, increasing demand for tourism products and services in the tourism industry of the Republic, in response to this increasing demand, is also included in the local and international network of hotels, as well as smaller resorts the hotel's infrastructure has been improving as a result of the construction and commissioning of large hotels. Overall, 86 hotels and hotel-based businesses were served in the country in 2001, according to the official tourism state portal www.azerbaijan.travel, which is now 563, and about 150 are in the capital.

According to Table 2.2 , in recent years, in general, the number of employed in hotel and hotel-type enterprises throughout the country has been increasing in general, with an average annual rate of 7.3%. In 2015, as the number of enterprises after the abolition of the licensing, naturally, the number of employees has started to grow faster. Especially after 2015, the number of employees in the Sheki-Zagatala economic region is about 3 times, and the Guba-Khachmaz economic region is about two times more important. Generally, the highest annual increase in the number of employees occurred in Ganja-Gazakh (13.86%), Nagorno-Shirvan (13.54%), Guba-Khachmaz (13.38%) and Shaki-Zagatala (12.52%) economic regions. By the way, it is not surprising that the employees of such enterprises located in Baku have a large proportion. Although the tourism potential of Lankaran economic region is quite natural and historical, the average annual growth here is the lowest among other economic regions (0.54%). At least in this type of enterprise is the Absheron economic region.

Table 2.2. Average annual number of employees in hotel and hotel-type enterprises in Azerbaijan by economic regions, people (2007-2017).

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Economic  districts | Total | Baku | Absheron | Ganja- Qazakh | Shaki- Zagatala | Lankaran | Quba-Khachmaz | Aran | Daghlıq Shirvan | Nakhchıvan  AR |
| 2007 | 4739 | 3054 | 160 | 117 | 312 | 269 | 383 | 132 | 94 | 216 |
| 2008 | 5616 | 3330 | 186 | 284 | 371 | 296 | 559 | 146 | 121 | 321 |
| 2009 | 5937 | 3528 | 234 | 264 | 393 | 275 | 533 | 149 | 213 | 346 |
| 2010 | 6021 | 3194 | 208 | 168 | 345 | 249 | 1144 | 148 | 215 | 348 |
| 2011 | 6198 | 3121 | 481 | 402 | 359 | 329 | 676 | 262 | 230 | 336 |
| 2012 | 7321 | 4241 | 441 | 450 | 408 | 362 | 595 | 232 | 234 | 356 |
| 2013 | 8259 | 5317 | 214 | 525 | 434 | 360 | 601 | 248 | 226 | 332 |
| 2014 | 9009 | 5360 | 187 | 548 | 445 | 344 | 1144 | 296 | 351 | 332 |
| 2015 | 8364 | 5239 | 183 | 550 | 368 | 347 | 764 | 299 | 284 | 326 |
| 2016 | 9838 | 5324 | 188 | 468 | 1091 | 284 | 1460 | 331 | 364 | 326 |
| 2017 | 10557 | 5620 | 191 | 533 | 1228 | 286 | 1655 | 361 | 413 | 339 |
| Annual average increase (%) | 7.30% | 5.5% | 1.61% | 13.86% | 12.52% | 0.54% | 13.38% | 9.19% | 13.5% | 4.12% |

Based on the data provided by the World Bank and the Ministry of Culture and Tourism of the Republic of Azerbaijan (State Tourism Agency at present), the number of tourists arriving in the country in 2002 was increased in 2002-2004, There have been some fluctuations in this respect from 2009, and from 2009 to 2014 it has grown again, and in spite of the fact that in 2015 a decline of about 11% was observed, from that date to stable and significantly increased .

Another point to be considered in Table 2.1 is the smaller increase in their lump-sum attitude compared to the increase in the number of enterprises. Thus, while the total number of enterprises increased by 5.65% per year, their lump sum increased by approximately 5% per year. This fact reflects the use of more small and medium-sized ones than large-scale enterprises.

Tourism is one of the most famous and possibly the largest tourism in Azerbaijan, with more than 6,000 cultural and historical monuments and sites. Almost all of these monuments are preserved at the state level and their particular attention is emphasized. While preserving such a rich cultural heritage is important for the promotion of country tourism worldwide, it generates high returns for both the Republic and the local population in general. In recent years, Azerbaijan has been focusing on sports, music, art and others. and hosted many international events. The main purpose of organizing such events is to promote the popularity of the Azerbaijani culture for the visit of more foreign tourists to the Republic and, in general, to promote the country's modern international environment [9]. Examples of such events are: "Baku International Jazz Festival", "International Mugham Festival", "First European Games", "Eurovision Song Contest", "Formula 1 Azerbaijan Grand Prix", as well as football, boxing, wrestling and organization of European and World Championships several times on adult and other minor age groups in other sports. In addition to holding propaganda, such events are held regularly, including "Baku Crystal Palace", "National Gymnastics Arena", "Baku Olympic Stadium" and others. as well as the construction of many buildings, plays an important role in improving the existing infrastructure in the country, as well as the fact that the cities where they are hosted are generally more attractive. The main example of this is that, before the Eurovision Song Contest was held in 2012, the construction of the Flag Square in Baku Seaside Park was completed and modernization of the Heydar Aliyev International Airport was carried out.

In addition, this year, 17 of them are held regularly in Baku, and the "Azerbaijan International Tourism and Travel Fair" plays an important role in promoting Azerbaijan's tourism potential globally and demonstrating the dynamic development of the country's tourism market [9].

According to the "World Travel and Tourism Competitiveness Report" prepared by the World Economic Forum in 2017, the Republic of Azerbaijan, ranked 71st in the list, is one of the most developed countries in the overall tourism sector, progressing 13 times compared to last year. The main reason for this is the increase in investments in this sector. The report notes that simplification of the visa regime has led the country to become more accessible for tourists in the international arena, with 77 points in the rating based on accessess indexes. At the same time, Azerbaijan has strived to expand its protected areas and increase its image in terms of its natural and cultural wealth, as Azerbaijan has 9 national parks, 13 state natural reserves, 19 state nature reserves, and areas of specially protected natural areas in the country 594939.1 hectares and constitutes 7% of the total area , the country is on the 83rd place in the list. In the list of oral and non-material heritage, which is an important category from the aspect of protection of cultural property, Azerbaijan is ranked at the 14th, which is a rather serious indicator. Moreover, due to changes in exchange rates and other factors, Azerbaijan has become a cheaper place to travel (31st in the list). Also, the safe environment in Azerbaijan (35th in the list), good health (point 37), some factors make the country more attractive for foreign tourists and gives great hope for further development of this sector in Azerbaijan [ 18].

In general, it can be noted that the increasing role of the tourism sector in the economy of Azerbaijan is observed. Thus, in 2017 in the Republic of Azerbaijan:

• About 15% of the Gross Domestic Product is created by the tourism industry and amounts to $ 5.6 billion.

• Tourism sector The role of the labor market in the republic is increasing. Overall, 611 thousand people in 2017 are related to this sector. This figure is an increase of 11% compared with the previous year and constitutes about 13.2% of the country's total workplaces.

• Domestic tourists spent $ 1.1 billion in tourism services in Azerbaijan and $ 3.2 billion for foreign tourists.

• The volume of investments made to the private sector in the tourism sector totaled $ 300 million [28].

 The next sections will focus on the regulatory trends and development mechanisms in this sector.

**2.2. The main directions of state policy in tourism sector regulation in Azerbaijan**

In order to coordinate and implement specific programs adopted in the tourism sector in Azerbaijan, "State Tourism Agency" was established in 2018, so the state policy in this sector is being implemented by this organization. The main legal document defining the main principles of state regulation in this direction and the basis of tourism activity is the law of the Republic of Azerbaijan on tourism. According to this law, the state promotes tourism activities and creates favorable conditions for its development, by setting up superior positions in existing tourist activities and having a positive impact on their implementation [7].

The following are the main goals of the Azerbaijan government during the regulation of its activities in the field of tourism:

• Ensure that all tourists enjoy their rights during travel;

• Protect the environment;

• To promote the development of any kind of infrastructure essential for the overall tourism industry, to contribute to the prevention of unemployment in the country by creating new jobs in this sector, and to increase the overall well-being of the state and its residents;

• Improving existing relations with other countries, taking action to protect tourist attractions, and using it in a form that provides the most effective and sustainable development possible from the natural, historical and cultural heritage [7].

 Again, according to the law, the methods of state regulation in the tourism sector are as follows:

- Ensuring improvement of relations in this area by adopting normative legal acts. Obviously, the legal basis plays a crucial role in the commercial and other types of relationships between individuals in any sector of the economy.

- Carry out standardization and certification work to monitor the quality of tourism products and services, including infrastructure.

- Accelerate development in the tourism sector by developing state programs.

- Creating favorable conditions for attracting local and foreign investment to the relevant infrastructure by increasing investment attractiveness in the tourism sector.

- Assistance in the training of qualified personnel in this field and other methods appropriate to the legislation [7].

Several purposeful state programs and other measures have been adopted and implemented in the last few years to develop the tourism industry in the Republic of Azerbaijan. Major regulatory measures that reflect state policy in the tourism sector are as follows:

• The State Program on the Development of Tourism in the Republic of Azerbaijan for 2002-2005 was implemented by the Decree No. 1029 of the President of the Republic of 27.08.2002.

Thus, the integration of our country into the international tourism market has been laid. As a result of this program, reconstruction of tourism infrastructure and main recreation zones has been achieved in the country. In general, the main goals of this program are to explore and expand tourism resources, to meet the international standards for the needs of tourists, to increase the number of hotels, hotels and other tourism facilities, to expand the propagandistic activities, and to broaden international cooperation has been achieved. In addition, the draft resolution of the Cabinet of Ministers of the Republic of Azerbaijan "On measures for the development of domestic tourism", "Rules of tourist and travel services providing tourist security", "System of complex measures for the provision of tourism in the field of tourism" and so on the regulatory framework in this area has been substantially improved .

• The State Program on the Development of Tourism in the Republic of Azerbaijan for 2010-2014 has been approved as the continuation of the mentioned program by the Decree No. 838 of the President of the Republic of the 6.04.2010.

This program is aimed at ensuring that the tourism sector meets the highest environmental, social and economic standards in Azerbaijan, the creation of a favorable business climate for the domestic and foreign investment flows to the tourism sector, the creation of more efficient public administration and regulatory mechanisms in this sector, one of the oil fields, has been made to increase its role in the economic life of our country and turn it into one of the key development pillars.

• Decree of the President of the Republic of Azerbaijan dated 15.02.2011 in the period covered by this program was decided to announce the Year of Tourism in 2011 in the Republic of Azerbaijan

The main purpose of this event was the preservation and promotion of the rich natural environment, geographical landscape, as well as cultural and historical monuments of Azerbaijan. Tourist camps called "This is our homeland" were organized in the regions where tourist flows were large, during this period, targeted and privileged loans were provided to support small and medium-sized enterprises in the tourism sector, taking into account the tourist flows between Azerbaijan and Georgia, Tbilisi-Baku railway route has been developed and a plan for proposals has been developed by the Ministry of Culture and Tourism and the Ministry of Economic Development to further improve the economic environment and accelerate the flow of investments into the country .

• Licensing for tourism enterprises was eliminated according to the decree of the President dated 21.12.2015 "On some measures in the field of licensing".

Prior to this decree, enterprises engaged in tourism activities pay a state duty of AZN 5,500. However, since 2015, enterprises in the tourism sector have been exempted from paying this duty [6].

• Order No. 2295 of the President of the Republic of Azerbaijan "On Additional Measures Related to Tourism Development in the Republic of Azerbaijan" dated 01.09.2016 entrusted the relevant state agencies with the necessary instructions.

These assignments will improve the infrastructure of the tourism industry in Azerbaijan and improve the quality of tourism services and products in line with world standards, improve the legal framework and state governance mechanisms of this sector, expand opportunities for the potential for tourism potential, and encourage activities that cover regional development, tourism routes renewal and enabling them to make the necessary adjustments, including measures to ensure the competitiveness of the world in terms of prices.

• Strategic Roadmap for the development of specialized tourism industry in the Republic of Azerbaijan, approved by the Presidential Decree dated 06.12.2016.

This road map analyzed the current situation in the country's tourism, modern opportunities and threats to the tourism sector. Also, some suggestions have been made in line with what has been said over the next few years .

Based on all this, it is possible to say that the state attaches great importance to the tourism sector in Azerbaijan, and serious work has been done to develop this sphere. Indeed, examples of activities in this sector include, for example, the provision of soft loans to small and medium enterprises, modernization and improvement of the infrastructure, removal from the list of activities requiring licensing of tourism and related activities, a broad database of tourism and tourism potential of Azerbaijan the creation of the state tourism portal "www.azerbaijan.travel", the creation of the "National Tourism Propaganda Bureau" and others. can be shown [18].

|  |  |  |  |
| --- | --- | --- | --- |
| Country | International  rating (2017) | growth score in performance  (max 7) | Change in international rankings |
| 1. Japan | 4 | 6.18 | +5 |
| 2. Azerbaijan | 71 | 5.98 | +13 |
| 3. Tajikistan | 107 | 5.01 | +12 |
| 4. Vietnam | 67 | 4.8 | +8 |
| 5. Israel | 61 | 4.79 | +11 |
| 6. Algeria | 118 | 4.68 | +5 |
| 7. Bhutan | 78 | 4.52 | +9 |
| 8. Gabon | 119 | 4.47 | +5 |
| 9. South Korea | 19 | 4.33 | +10 |
| 10. Egypt | 74 | 4.32 | +9 |
| 11. Peru | 51 | 3.93 | +7 |
| 12. India | 40 | 3.86 | +12 |
| 13. Mexico | 22 | 3.86 | +8 |
| 14. Chad | 135 | 3.83 | +6 |
| 15. Albania | 98 | 3.81 | +8 |

Table 2.2. Ranking of the reformist countries developed by the World Economic Forum based on the index of the competitiveness of the tourism sector.

As a result of the work done in Table 2.2. [18], according to the World Economic Forum's 2017 World Ranking Report, between 15 reformers, Azerbaijan has been able to increase the competitiveness of the tourism sector from 7 possible points to 5.98 The ball was evaluated and ranked second after Japan. The international rating of the Republic among the mentioned countries is also the fastest growing country with 13 points.

Additionally, the main advantage of the tourism portal mentioned above is that the electronic visa issuance through this online portal and the maximum duration of the process should last 3 hours. It is also important to note that citizens of some countries have the right to get the visa immediately after entering the country and, according to the information provided by the Ministry of Foreign Affairs of the Republic of Azerbaijan, this process will take place on 15.05.2018 by means of ASAN Visa self- Has been accelerated with the launch of visas for persons who are citizens of 15 different foreign countries at the International Airport named after Aliyev. It is noted that the introduction of these modern standards will allow the issuance of a visa to an alien citizen within 2 minutes. Additionally, the preferences of the CIS countries and Georgian citizens to travel to Azerbaijan without a visa continue .

**CHAPTER 3. DEVELOPMENT OF THE REGULATORY STATE OF TOURISM SECTOR IN AZERBAIJAN AND STATEMENT OF STATE REGULATION OF THIS SITE.**

**3.1 International experience in the state regulation of the tourism sector**

Given the importance of tourism for each country's economy in recent years, it is important to note that its correct regulation and management has been increasingly relevant every day. In general, regulation means the development, development and implementation of tourism development plans, the implementation of specific standards for this area, the creation of necessary infrastructure, efficient and proper use of land and other resources. we can understand some measures.

**Tourism regulation in France.**

As a result of the developed tourism sector, France is currently the country with the highest number of tourists visiting the country with a population of about 83 million per year, and has recently succeeded in maintaining its top priority. When looking at the statistics of tourists traveling to this country, most of them are tourists from Asia and Europe. Tourists coming from Germany, then from Britain, are the first to rank tourists from other countries. Most tourists from Asia are tourists from the People's Republic of China. It should be noted that, in some cities of the country, Paris, Bordeaux, Toulouse, Strasbourg, Lyon and others have 37 value points, including the Eiffel Tower, included in the UNESCO World Heritage List. In addition, military equipment from the Second World War and their remains are among the nuances that attract tourists to France.

Apart from cultural and historical monuments, France's subtropical-Mediterranean climate makes it one of the most attractive factors for tourists wanting to come to this country. In this regard, it is not surprising that the state is seriously concerned with the organization and protection of national parks in France. At present, there are 10 national parks in the country (including the French Caesar), each of which plays an extremely important role in protecting the natural wealth of the area . The management of these parks is being run by the French National Parks Agency (Parcs Nationaux de France). These national parks, covering 50.010 km2, cover about 9% of the country's territory. Under the law adopted in 2006, national parks have been added not only to the natural environment, but also to the preservation of cultural and historical heritage.

In total, 110.278 km2 of the territory of France is protected by the state in all categories, representing three main forms:

• Land acquisition by the state in areas that are threatened by urbanization and other humanitarian activities and taking measures to rebuild and safeguard here.

• Conducting regulatory actions aimed at minimizing the harmful effects of nature on people and in the environment in a given area, which norms, concentrates, certain penalties and so on covers

• Carrying out works to improve the natural and ecological condition of the territory at a given time by using the power of specialized organizations in this direction on the basis of obtained agreements and contracts.

On November 12, 2014, Paris hosted a conference titled "Tourism Development Council" dedicated to tourist destinations in France and attended by many diplomats and tourism sector officials. First of all, the French President decided to consider tourism as a priority for the country's development. In addition, the French Tourism Minister noted that France is currently the leader among the world's most host of tourists, but the situation is not satisfactory in terms of revenues gained in this area. Comparing Spain, "In the present situation, Spain receives more than 30% of tourists from Spain, and this is a very serious indicator, but Spanish" more than 10% of our income in the tourism sector, as tourists spend a relatively longer they carry. Unlike Spain, vast majority of tourists coming to France are just in Paris, and then do not travel to other regions, even though they leave the country after staying there for quite a while. The steps we take should be considered for the elimination of this gap "[27].

At the conference, it was decided to take into account sport, mountain and ecotourism as priority tourism types. For the sake of improving the image of the country, it was decided to increase the number of police officers in the country by 20%, mainly focusing on the region.

According to 2017 figures:

• 10% of the total employment in France is related to the tourism industry.

• Tourism sector has a 9% share in the country's GDP.

• Domestic tourists spent $ 127.5 billion in touristic services in France and $ 50.3 billion for foreign tourists.

• The volume of investments made to the private tourism sector totaled $ 40.1 billion.

**Tourism regulation in New Zealand.**

Rapid development of tourism in this country has turned a sustainable tourism concept into a major factor in regulating the country's economy.

Taking into consideration the existing relationships between environmental and tourism development, an approach that incorporates the right and balanced use of natural and cultural resources in New Zealand is topical.

In this regard, one of the biggest concerns in this country is that tourism and services are largely dependent on the natural and physical environment, as the main nuance shaping the image of the country from the tourism aspect is the "clean and green country" is the slogan. The increasing demand for tourism, as well as the actualization of domestic tourism from day to day, have made crucial arrangements for environmental protection in some regions. One of the most important steps taken in this direction is the Resource Management Act, which came into force in 1991, which regulates the environmental impact of activities in the tourism sector with special restrictions. Among the most important of these are the following:

 No person other than a private permit permit, which was originally established before the adoption of this law, and whose activities are deemed necessary, can not use land resources in a manner contrary to this law.

 All buildings and other buildings (including hotels, etc.) should be constructed in accordance with the standards set forth in the 2004 Law on Structural Measures and should minimize damage to nature and cultural heritage during any commercial or other activity.

 No local or foreign resident without a special permit certificate:

a) Excavation or drainage operations on the sea, offshore or offshore;

b) Construction or reconstruction works on the sea, offshore or offshore, including the replacement, expansion, reduction, removal or dismantling of existing structures and facilities;

c) Any type of activity that may be dangerous to the existence of flora and fauna existing on the seafront, offshore or offshore, and generally cause them to disturb and damage them;

d) New, alien to those zones on the sea, offshore or offshore

cultivation and release of plant or animal species;

e) Any activity that may damage any monuments of historical or cultural heritage existing on the sea

f) Privatization activities in the offshore or offshore and public areas;

g) Works of excavation or other handling of such resources forming the natural image of sand, gravel or any area existing on the sea, offshore or offshore;

h) No commercial activity involving any kind of natural wealth, including flora and fauna located on the sea, offshore or offshore.

 Tourism and other purpose vessels, yachts, as well as any property located in the sea, offshore or offshore, owned by the public or private sector, may be harmful to plants and animals of this area, any type of waste can not be discharged .

In general, tourism in New Zealand is regarded as one of the most important sectors of the economy and, as it can be seen from the harsh demands of the above-mentioned act, the overall picture of the country's international image is based on more natural resources, more precisely the attractive nature, rather than the cultural richness it is clearly felt in politics. Even though the vast majority of tourism enterprises in this country belong to the private sector, the public sector also plays a role of a guiding force in planning tourism and regulatory activity in tourism, as well as contributing to the creation of economic opportunities for existing and potential businesses.

According to 2017 figures:

• In New Zealand, 22% of total employment is related to the tourism industry.

• Tourism sector has a share of 18% in the country's GDP.

• Domestic tourists spent $ 15 billion in New Zealand and $ 10 billion for foreign tourists.

• Direct public expenditure on services provided to tourists (museums, other cultural heritage and recreation) totaled $ 155 million .

**Tourism regulation in Spain.**

Since the late 1970s, the rise in democracy and non-centralization trends in the Kingdom of Spain has led to substantial development of regional tourism in the country, especially as Francis Franko, who was prime minister in the pre-Soviet era, remarkably progresses in the tourism sector caused by [10]. As it is known, regional development plays an important role in the overall development of the economy, but the use of regional understanding in the tourism sector is somewhat inaccurate, as each region of the country has a certain level of economic development, Fertile conditions may not exist in all regions. From this point of view, it is possible to note that the main idea of ​​the constitutional amendments made in Spain since 1978 is the decentralization policy [10]. This, in turn, has led to the proliferation of important forces in terms of the development of the tourism sector, and as a result, tourism in the country has been steadily advancing year by year. Undoubtedly, overall political stability in Europe and the improvement of transportation services have been one of the key factors in this development. All this has led to the fact that Spain is important for the development of tourism and the use of mysterious natural resources, great cultural heritage, favorable climate, as well as relatively low prices and other giant tourism countries, which are particularly distinguished from many other competitors in the country.

It should be noted that, even after the boom in the 1960s, the main tourist destinations in the country, though coastal areas suitable for beach tourism, have resulted in the development of sectors such as cultural, natural and rural tourism.

In Spain, the development of the tourism sector can be divided into the following four phases:

**1959-1974 years.**

This process covers the period when central and local approaches are almost non-existent and dominated by governance. Infrastructure is a time of serious deficiencies and high environmental costs. Nevertheless, urban planning and land use planning are taken into account in the development of tourism, and on the other hand, the focus is on eliminating the gap in infrastructure. This period can be mentioned as the first step towards the development of the sector. Generally speaking, "Busterism" is characteristic of the dominance of the idea that the negative effects of the positive effects can be overcome.

**1975-1982 .**

The use of soils has been successfully implemented in regards to the development of tourism. The reason for this is that the implementation of the instructions in the tourism development plans was not mandatory, it was a direct recommendation, which ultimately led to neglect by entrepreneurs.

**1982-1989.**

Significant decline in government influence is the period when centralized governance has begun to eradicate. Instead, it has begun to apply a regional approach through municipalities and other structures, primarily the Catalonia and the Balearic Islands.

**1989-1993 years.**

As a result of the preferential policy of the past, in line with competition, a management strategy aimed at raising domestic competition has been conducted. Infrastructure development has been accelerated, as a result of which the 1992 Olympics may be held in Barcelona.

**Since 1994.**

Regional and subregional governance tools have been accelerating the planning process used in tourism legislation, but the development, adoption and entry into force of these laws has generally taken quite a long time. Cultivation of skilled cadres to provide sustainable tourism, efficient resource management, and so on. serious steps have been taken to cover such approaches, and Spain has become one of the world's largest tourist countries [10].

As regards taxation, it should be noted that the taxation of the tourism sector is somewhat complicated, since tourism-oriented products can be used by non-tourists, so the taxation of the tourism sector is not only for tourists, but also for local residents has a certain impact. In general, tax rates in the purely tourism sector in Spain are relatively low compared to the global average, which is encouraging. [8] However, taking into account the importance of environmental protection in sustainable tourism development, for the first time in the Balearic Islands and later on some other coastal areas, taxation has started to be called ecotasa (Spanish eco tax), which is mainly derived from hotels and the actual tax payer customers. Similarly, for leased cars, additional tax is applied. The financial flows from these taxes are spent entirely on environmental conservation in the region [8].

According to 2017 figures:

• 15% of total employment in Spain is related to the tourism industry.

• Tourism sector has a 15% share in the country's GDP.

• Domestic tourists generally use tourism services in Spain

$ 59 billion and foreign tourists spending $ 75 billion.

• The volume of investments in the private sector related to the tourism sector amounted to $ 21 billion [28].

The tourism sector regulation mechanism of all three countries, as described above, is primarily intended for sustainable development. In the following chapter, a comprehensive approach to the state policy in this respect will be reflected in the Republic of Azerbaijan.

**3.2 Improvement of state regulation of tourism sector in Azerbaijan**

It can be said that the information and indicators discussed in the previous sections, as well as the report presented by the "World Economic Forum," are important for the development of the tourism sector of Azerbaijan. Nevertheless, the report also noted that the competitiveness of the world in the travel and tourism sector of Azerbaijan can be further improved. At the end of the report on Azerbaijan, it was suggested that the following subindex indicators be considered and may be a major impetus to the sector's development:

• To substantially improve the current situation of air transport;

The essence of the subindex is generally the quality of the air transport infrastructure, the existing seats on the plane at the local and international levels (the total flight distance with existing aircraft seats), the density of airports across the country and so on. includes.

When talking about the development of air transport, it should be noted that price levels should be competitive in this area. Therefore, according to the report, price competitiveness has been taken into account at all other prices at which Azerbaijan is at the advanced level, for example at airplane prices and at the airport expense indicator111 because prices are really high and the importance of measures for their regression Thousands of potential tourists are deprived of the country . Taking this into consideration, the government can use some of the methods of price regulation, such as ceiling and flooring prices.

In addition, recently, Heydar Aliyev International Airport users were in a rarely casual form of public transportation, and the only transportation type was the taxis, that is, the cars, but the use of a bus line with a 15-minute flick to identify this problem upgraded. However, it is desirable that many large-scale large-scale and the most important air transportation infrastructure in the country also ensure the service of excursion buses at the international airport in the near future [9].

• Focus on cultural and natural resources

Which covers the scale of the protected areas, the number of existing flora and fauna, as well as the total number of historical and cultural monuments, and how attractive it is for tourists.

As mentioned in the previous sections, the negative impacts of tourism on natural and cultural resources should be taken into account in order to ensure sustainable development of this sector. It is noteworthy that in this regard, it is a good thing to pay attention to the number of reserves and national parks in our country. However, the protection of these natural resources simply does not mean that they are still a charming tourist attraction. Most of the time, when traveling to such places, the possibility of seeing any wild animal only at random may have a negative impact on the overall tourist attraction of the area. In my opinion, in rugged nature areas, rarely animals should be able to enjoy the comfort of tourists. This can be achieved through the rapid development of ecotourism, which is one of the areas of nature tourism, including alternative tourism.

• Development of recreational and entertainment attractions.

This subindex lists the total number of hotel numbers available in the country, the quality of tourism infrastructure, the availability of internationally renowned car rental companies, and the number of ATMs.

0The quality of existing infrastructure can be considered satisfactory. However, luxury hotels have problems with the service offered by the two-and three-star hotels, which are more economical than the service they offer and should be strengthened.

Even though the availability of 2 world renowned car rental companies like Hertz and Avis in Azerbaijan is generally positive, our country has settled on the 85th place, whereas it can be concluded from this that other companies are also attracted to the country it would be beneficial for the market at a more affordable price, as well as to increase the quality of service, because in many cases tourists prefer to rent car because they tend to have more confidence in such companies.

In terms of the number of ATMs, according to the report, Azerbaijan has placed 84,000 people in the world rankings with 35.1 devices for each adult population [36], suggesting that gradual increase in the number of such equipment in the future, especially in the regions.

One of the types of tourism that is important to pay attention to in Azerbaijan is tourism, which is directly linked to the development of regional tourism. In many literature, rural tourism is somewhat classified as a sub-category of ecotourism because it essentially involves the acquaintance with the peculiarities of rural life, and sometimes involves participation in some activities. One of the most prominent factors of this type of tourism is the hospitality of local villagers, so our country has potential for rural tourism. The reasons for hindering the development of rural tourism are as follows:

• Whether or not the infrastructure needed for tourism development in the villages is low or low;

• lack of access roads to the villages, as well as modern standards that pass through them;

• Low quality transport services in the villages;

• serious shortage of trained employees in rural areas;

• High prices.

Providing the necessary infrastructure, tax incentives to the local population, etc. Encouraging them to participate in these areas in a number of different ways can culminate in some of the shortcomings mentioned.

The abovementioned shortcomings are, in fact, not only the development of rural tourism, but also the development of tourism in the regions as a whole. So, the number of two or three star hotels in the country is not enough, and the service offered by the existing ones is not satisfactory. Taking this into account, it is important to increase the number of such low-cost hotels as well as strengthen their control over their activities. However, the elimination of the licensing process has made it much more difficult to control the quality of the cheapest hotels and, generally, the quality of the businesses in the tourism industry, and any warnings they make are merely advisory. I think that after the number of enterprises in this sector has reached the desired level, the licensing process should be restored in the previous order.

Another fact is that the majority of tourists coming to Azerbaijan are not to relax in the country, but to go for a walk. [9] History, music, folklore, the nature of our country, etc. It is clear that. It is a positive fact that these characteristics attract the attention of foreign tourists. However, staying in the shadow of recreational tourism does not create a prominent aspect of the profitability of the tourism sector. The main reasons for this are the environmental cleanliness of the Caspian Sea, the quality of the tour services and the competitiveness of the enterprises in the tourism sector in general, and therefore the prices are not competitive. Undoubtedly, as a result of the fluctuations in exchange rates in recent years, the price competitiveness of our country has increased relatively, but prices can be more appropriate and competitive.

Another issue to be considered in this context is the seasonal problem in the tourism sector in Azerbaijan [9]. Seasonal effects on tourism are subject to seasonal effects throughout the year, and tourism trips are therefore divided into high, medium and low seasons. In addition to natural factors, there are climatic phenomena - religious, national and other holidays, as well as high-level tourist seasons, special and non-working days, cultural, sports, music and other interesting local and international events. Due to both climatic and other factors, high, medium and low-level tourism segments, the tourism industry is experiencing higher prices in high season, excessive pressure on businesses engaged in tourism activities and lower incomes than low-income sectors. The increase in unemployment in this sector and so on. and face barriers. According to the current situation, it can be said that foreign tourists visited our country more frequently during the summer and winter, Novruz holidays and other local and international events. Nowadays, traditionally the summer season for the Republican tourism industry, the introduction of the relevant infrastructure in 2012, and in addition the winter season has been topical since then. Similarly, domestic tourism operates almost the same period and is also not the official day of the Republic and the working day of the weekends. However, during the year there are potential tourist attractiveness for foreign tourists in many types of tourism. According to all of the above, it is possible to say that the problem should be prevented in order to provide a more efficient, quality and competitive activity in the tourism industry. In this context, it is important to establish a state policy that envisages a compensation mechanism covering a longer period within a year, which is more appropriate than the current recreation and eliminates the seasonal problem. An example of such activities is the introduction of tourism calendars in English, Russian, Arabic, Spanish and many other world-language capitals and regions, and the implementation of affordable and affordable tourism services that attract tourists in the low season. As a result, tourists flow to Baku and regions accelerate.

Based on all the above, I think that mainly the relevant amendments and additions to the law on tourism, the taxation of activities in the tourism sector, and so on. it is important to take into consideration the above-mentioned proposals when making appropriate concessions, as well as the adoption of the relevant legal acts, which will enforce the state regulation in the future for the development of this sector.

**Conclusion**

The modern economic environment and its requirements condition the importance of the tourism industry as an important sphere of profitability, thereby increasing its economic growth and prosperity. Especially since the second half of the twentieth century, the rapid revival of this sector has been observed, and in the last decade of the same century, the publication of a collection of methodological advice on the impact of the sector on the national economy and the disclosure of various types of activities in that sphere was made by the World Tourism Organization has led to the fact that this sector is paying more attention to its economic development and paying more attention to its more effective regulation. As a result, it is not surprising that, for many countries, the tourism sector has an indispensable and important role for both GDP growth and decline in unemployment. For most of the island states that have smaller and exotic nature, this sector is the main backbone of the economy.

The TLGH (Tourism-led growth hypothesis), one of the major concepts that examines the impact of tourism on the economy, has been studied at different times by different researchers and has been investigated whether the development of the tourism sector leads to economic growth, or whether there is a link between the two concepts. The national economies of the countries, as well as their developmental characteristics, in addition to natural, geographical, cultural, social and so on. the differentiation of factors, and the methods chosen by the researchers have led them to come to different conclusions from this point of view. As a result, some research shows that tourism has a positive impact on overall economic development, while others have shown that the tourism sector has developed after the economic development. In certain studies, however, there is a relationship between them that is mutually exclusive.

In any case, the role of the economic sector in the tourism sector necessitates a state policy that ensures the smooth and sustainable development of the sector. In this regard, the creation and implementation of a regulatory mechanism that protects the cultural and natural resources of a form that does not hurt the development of the sector, which minimizes the entrepreneurial activity, and plays a major role.

Business tourism, educational tourism, leisure tourism, cultural tourism, as well as modern and alternative ecotourism, etc. Each type of tourism has an important role in the development of the tourism sector individually, but this type of tourism requires different countries to take account of the local environment, as their potential is different.

In Azerbaijan, the tourism sector is also a non-oil sector and one of the priorities of the state, the development of which is one of the priorities. The relevant state programs that are adopted and implemented in this sphere, and in turn, confirm that.

It is possible to note that after years of independence, the tourism sector of the Republic has become a major and remarkable way of development and improvement of the appropriate infrastructure and regulation of different relations in this area. In turn, many statistical indicators are evidence of this. Nevertheless, the development in the sector can be achieved at a much higher level so that it can be further competitive, given the country's potential. For this purpose, the following measures are essential:

- Air ticket prices should be brought to a more competitive level;

- Excursion at Heydar Aliyev International Airport

bus service should be provided;

- Natural resources should be used more efficiently and efficiently, or more precisely, conditions should be created that tourists can more easily enjoy the natural habitat;

- The number of hotels, as well as hostels, especially those in the regions, should be increased, especially those with two or three star ratings;

- Improvement of the condition of the university dormitories should be carried out and reconstruction works should be carried out for the use of tourists during the holidays (summer) and providing them with reasonable prices;

- Ensure control over the services provided by tourist accommodation facilities;

- The number of ATMs in the regions should be increased;

- Improvement of the infrastructure of transport and tourist placement in the villages to improve rural tourism;

- bringing the Caspian Sea to a more environmentally-friendly state;

- In order to eliminate the problem of seasonality tourism calendars of the city and the regions should be prepared in the world languages, and encouragement measures should be taken to attract tourists in low-season tourist segments.

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