

Azerbaijan: 2012-2015 End of Term Report

During the course of Azerbaijan's first action plan, the ability of civil society to work in the country deteriorated due to restrictive government legislation and actions. Few of the OGP commitments significantly opened government, and their potential impact was further weakened by the prevailing operating environment that limits civil society participation.

The Open Government Partnership (OGP) is a voluntary international initiative that aims to secure commitments from governments to their citizenry to promote transparency, empower citizens, fight corruption, and harness new technologies to strengthen governance. The Independent Reporting Mechanism (IRM) carries out a review of the activities of each OGP-participating country. This report summarizes the results of the period July 2012 to December 2015 and includes some relevant developments up to October 2016.

The State Commission on Combating Corruption coordinated the OGP process in Azerbaijan. Civil society organizations (CSOs) were involved in the development of the action plan, but not in the implementation. Different central and local government authorities carried out the commitments.

On 4 May 2016, the OGP Steering Committee designated Azerbaijan as inactive in OGP due to unresolved constraints on the operating environment for non-governmental organisations (NGOs). The decision was made in accordance with OGP's Response Policy, when in March 2015 three CSOs raised concerns about threats faced by civil society in Azerbaijan. They include subjecting NGOs to extensive government control over their registration, funding, and banking operations, including freezing bank accounts. After carrying out an exhaustive review process, the OGP Criteria and Standards Subcommittee found that these concerns were valid.

The government of Azerbaijan will have a maximum of one year to address the concerns raised by the CSOs. These difficulties in the country context have posed challenges to finding an independent, non-partisan researcher able to complete the IRM report.

At the time of writing this report, Azerbaijan has finalized its second national action plan for 2016-2018. The plan encompasses ten themes, many of which aim to undertake further activities in focus areas from the first plan. Highlights from the plan include the improvement of electronic services, the streamlining of freedom of information, a greater emphasis on ethics in municipalities, and state budget transparency. Assessing the degree to which the new action plan meets the requirements laid out by the OGP Steering Committee is beyond the scope of this report.

Table 1: At a Glance		
	Midterm	End of term
Number of commitments	37	
Level of completion		
Completed	6 (16%)	12 (32%)
Substantial	6 (16%)	8 (22%)
Limited	22 (59%)	15 (41%)
Not started	1 (3%)	0
Unclear	2 (5%)	2 (5%)
Number of commitments with:		
Clear relevance to OGP values	31 (84%)	
Transformative potential impact	2 (5%)	
Substantial or complete implementation	12 (32%)	20 (54%)
All three (⊕)	0	0
Did it Open Government?		
Major:	N/A	1
Outstanding:	N/A	0
Moving forward		
Number of commitments carried over to next action plan:	22 (59%)	

Consultation with civil society during implementation

Countries participating in OGP follow a process for consultation during development and implementation of their OGP action plan. In Azerbaijan, there was consultation with a limited number of CSOs during the development of the action plan, but there was no consultation with NGOs during the implementation phase. In addition, consultation has been hampered by restricted civic space. This is detailed in boxes one and two below, which outline the ability to receive funding (Box 1) and the atmosphere of intimidation that impedes full civil society participation (Box 2).

Table 2: Action Plan Consultation Process

Phase of Action Plan	OGP Process Requirement (Articles of Governance Section)	Did the Government Meet this Requirement?
During Implementation	Regular forum for consultation during implementation?	No
	Consultations: Open or Invitation-only?	N/A
	Consultations on IAP2 spectrum ¹	N/A

[BOX]

Box 1: Special note on civil society ability to operate and receive funding

While more state funding is now available for some NGOs, civil society faces restrictions on receiving funds from foreign donors. Several amendments have been enacted, giving the authorities extensive powers over NGO finances. According to the Law on Non-Governmental Organisations, foreign donors must be registered in Azerbaijan to fund CSOs. In December 2013, the Parliament enacted amendments to the Law on Grants, Law on Non-Governmental Organisations, Law on Registration of Legal Entities, and State Registry and the Code of Administrative Offenses. A number of local groups and international organisations working on open government issues criticized these legal changes when they were presented in draft form.²

Under the new rules, all grant recipients, including organisations and individuals, must register those grants with the Ministry of Justice (MOJ). Any amendments to the grants must also be registered. Each individual grant needs to be approved, which requires an opinion by the relevant state body that the grant is expedient for Azerbaijan. This allows authorities to block grants. Since May 2014, the MOJ has frequently refused to register grants and denied funding to numerous NGOs, including those participating in the OGP process.³

Breach of the grant approval rules can lead to significant financial penalties, including the freezing of bank accounts. There have been numerous cases of both NGO and personal bank accounts being frozen. According to the March 2015 joint letter from three CSOs, Publish What You Pay, Civicus, and Article 19, to the OGP Steering Committee, “the new rules have made it extremely difficult, and in many cases effectively impossible, for NGOs to obtain, access, and use outside funding. This is the major reason for the closure of growing numbers of NGOs which work on open government issues”.⁴

The Council on State Support to NGOs⁵ is the main agency responsible for implementing the four commitments under Theme Nine: “awareness raising and cooperation in the field of open government”. The Council has centralized state NGO financing, but many NGOs operating in Azerbaijan have not applied for grants from the Council because they fear that receiving government funding would undermine their independence.⁶ Concerns have been expressed about the impartiality of the Council providing grants to CSOs. The Council’s official website lists the regulations for providing grants. According to a Council of Europe report in 2015, participation in Council activities is by invitation only and “involvement in [Council] activities tends to exclude NGOs seen as opposed

to the government's policies."¹ One independent media organisation has claimed that some of the Council funding has gone to Government Organized NGOs (GONGOs).⁷ According to the Council's official website, since 2008 the Council "has provided 25 million euros as the financial support to more than 3000 projects of the local NGOs."⁸ The Government Self Assessment report does not specify how these government-funded activities contributed to the implementation of OGP commitments.⁹

[END BOX]

[BOX]

Box 2: The atmosphere of intimidation that impedes full civil society participation

Starting from 2014, the operating environment for Azerbaijani CSOs involved in the Extractive Industries Transparency Initiative (EITI) started to deteriorate. In February 2014, new amendments were passed to a number of laws directly affecting the operation of CSOs in the country. The CSO letter to the OGP Steering Committee states that the new laws "targeted groups which promote government transparency and accountability. This includes members of the NGO Coalition for 'Increasing Transparency in Extractive Industries' (EITI NGO Coalition)."¹⁰

The NGO EITI Coalition reported that since 2014, it is unable to conduct activities outside the capital due to the denial of permits for organizing public events outside Baku. The bank accounts of most NGOs active in the Coalition were either blocked or seized. Court decisions adopted without the representation of the accused parties seized the personal bank accounts of leaders of these NGOs. The Coalition Council submitted letters to the President of Azerbaijan and the Council on State Support to NGOs to express its concerns and request resolution of these problems and the convening of a session of the EITI Multi-Stakeholder Group in Azerbaijan. The Coalition published a statement that it would be unable to fully participate in the EITI process in Azerbaijan if the situation continued, and if the relevant agencies failed to resolve the problem.¹¹ In 2015, EITI downgraded Azerbaijan to the status of 'candidate' country.¹²

According to the statement of the Coalition published on 16 October 2016, Azerbaijan has made some progress in addressing the above-mentioned problems. In particular, the government lifted travel bans for some NGO leaders and activists. The freeze placed on bank accounts has been lifted, and the MOJ has registered a number of grant contracts. However, the statement highlights that these steps were not consistent, and other civil society issues have not been resolved fully. The Ministry of Justice has not registered the grant agreements for several coalition organisations, and they still cannot be used. Likewise, some funds in NGOs' bank accounts remain inaccessible. The government seized grants from two organisations after lifting the banking freezes to pay off claims of tax debt. Employees of two coalition members are still under arrest for various charges, and one coalition member is banned from leaving the country, subject to criminal investigation initiated several years ago. Following his visit to Azerbaijan in 2016, the UN Special Rapporteur on the situation of human rights defenders Michel Forst pointed out that "the already challenging environment for NGOs has turned into a total crisis due to the 2013-2015 legislative amendments on civil society regulations."² Moreover, the legal amendments restricting the operating environment for civil society have not been revoked. The board of the EITI announced Azerbaijan's suspension from EITI at its meeting in Bogota, Colombia on 9 March 2017. The board said Azerbaijan "lacks an enabling environment for civil society, a violation of the initiative's requirements on multi-stakeholder engagement," and gave the government of Azerbaijan a July 2017 deadline to liberalise legislation on NGO registration and to release political prisoners.³ Shahmar Movsumov, Executive Director of the

¹ *Expert Council on NGO Law Regulating Political Activities of Non-Governmental Organisations prepared by Ms Katerina Hadzi-Miceva Evans on behalf of the Expert Council on NGOs, Conference of INGOs of the Council of Europe, updated December 2015:* <https://rm.coe.int/CoERMPublicCommonSearchServices/DisplayDCTMContent?documentId=0900001680640fc>

² <http://www.ohchr.org/EN/NewsEvents/Pages/DisplayNews.aspx?NewsID=20554>

³ <http://www.rferl.org/a/azerbaijan-quits-extractive-industries-transparency-initiative/28362146.html>

State Oil Fund (SOFAZ) and chairman of the government commission on EITI, responded that the decision on suspension was "unfair," and said that Azerbaijan was leaving the EITI.⁴

[END BOX]

¹ IAP2 Spectrum information available here:

http://c.ymcdn.com/sites/www.iap2.org/resource/resmgr/imported/IAP2%20Spectrum_vertical.pdf

² "Azerbaijan: joint letter to the OGP to ensure civil society organisations can participate in and influence action plan" 26 March 2015, <https://www.opengovpartnership.org/sites/default/files/attachments/OGP%20enquiry%20request%20letter%20-%20PWYP%20CIVICUS%20ART19.pdf>

³ Ibid.

⁴ Ibid.

⁵ Government webpage for Council on State Support to NGOs, <http://www.cssn.gov.az/news.php?id=2242&lang=en>, accessed 10 November 2016

⁶ „Harassed Imprisoned Exiled, Azerbaijan’s continuing crackdown on government critics, lawyers, and civil society,” Human Rights Watch, 20 October 2016.

<https://www.hrw.org/report/2016/10/20/harassed-imprisoned-exiled/azerbajians-continuing-crackdown-government-critics>

⁷ „In Azerbaijan as the last remnants of democracy are being destroyed, some watch in silence (part 2- “GONGO” ids)” Meydan TV, 29 October 29, <https://www.meydan.tv/en/site/society/3532/>.

⁸ “ASAN service model was presented as the exemplary model to the EU countries at the event organized in Rome with the support of the Council” Council on State Support to NGOs under the auspices of the President of the Republic of Azerbaijan, 31 March 2015, <http://www.cssn.gov.az/news.php?id=1753&lang=ne>.

⁹ Government End of Term Self-Assessment Report,” Commission on Combatting Corruption of the Republic of Azerbaijan, 2016, <http://bit.ly/2cZ5vxB>

¹⁰ “Azerbaijan: joint letter to the OGP to ensure civil society organisations can participate in and influence action plan” 26 March 2015, <https://www.opengovpartnership.org/sites/default/files/attachments/OGP%20enquiry%20request%20letter%20-%20PWYP%20CIVICUS%20ART19.pdf>.

¹¹ „Statement of Coalition for “Increasing Transparency in Extractive Industries of the Republic of Azerbaijan” on challenges encountered in the field of EITI implementation in Azerbaijan,” Extractive Industries Transparency Initiative, 15 July 2014, <http://eiti-ngo-azerbaijan.org/?p=627>.

¹² „Azerbaijan downgraded to candidate country,” Extractive Industries Transparency Initiative, 15 April 2015, <https://eiti.org/node/4438>.

⁴ <http://en.trend.az/azerbaijan/business/2730135.html>

Progress in commitment implementation

As part of OGP, countries are required to make commitments in a two-year action plan. (Azerbaijan's first action plan was three years long, submitted before two-year action plans became regular.)

The Azerbaijan action plan consisted of 37 commitments. They were organised by nine themes, focusing on access to information, improvement of electronic services for citizens, enhancing effectiveness of financial institutions, and transparency in the extractives sector.

The IRM report found three major problems with the action plan while evaluating its implementation.

- *Potential impact:* Commitments derived principally from pre-existing projects or routine government activities. A number of commitments were vaguely formulated without clearly defined intended results. Many commitments did not specify which agencies were responsible for the implementation and referred to "all central and local executive authorities." Several commitments were redundant; Theme Nine was dedicated to implementing the OGP action plan and disclosure of government self-assessment reports on the implementation of the action plan. Still other commitments were completed prior to the action plan or represent ongoing maintenance and government activities.
- *Evidence of completion:* At the end of the action plan period, ten commitments were verifiably completed. A majority of commitments, however, were not verifiable. Neither government nor civil society reports adequately substantiated their findings with citations.
- *Results:* Overall, the action plan did not lead to notable achievements for improving access to information, creating opportunities for civic participation, or establishing ways of holding government accountable to the citizenry.

All of the indicators and method used in the IRM research can be found in the IRM Procedures Manual, available at (<http://www.opengovpartnership.org/about/about-irm>).

Two measures deserve further explanation, due to their particular interest for readers and usefulness for encouraging a race to the top between OGP-participating countries: the "starred commitment" and "Did it open government?"

Starred commitments are considered exemplary OGP commitments. To receive a star, a commitment must meet several criteria:

1. It must be specific enough that a judgment can be made about its potential impact. Starred commitments will have "medium" or "high" specificity.
2. The commitment's language should make clear its relevance to opening government. Specifically, it must relate to at least one of the OGP values of Access to Information, Civic Participation, or Public Accountability.
3. The commitment would have a "transformative" potential impact if completely implemented.
4. Finally, the commitment must see significant progress during the action plan implementation period, receiving a ranking of "substantial" or "complete" implementation.

Based on these criteria (which changed in 2015), Azerbaijan had no starred commitments either at midterm or end-of-term. Based on the previous criteria, Azerbaijan would have had three starred commitments.

The second notable variable is "Did it Open Government?" This moves beyond design of the commitment to assessing whether government practice actually changed as a result of the commitment implementation. The scale for assessment is as follows:

- **Worsened:** worsens government openness as a result of the measures taken by commitment.

- Did not change: did not change status quo of government practice.
- Marginal: some change, but minor in terms of its impact over level of openness.
- Major: a step forward for government openness in the relevant policy area, but remains limited in scope or scale
- Outstanding: a reform that has transformed ‘business as usual’ in the relevant policy area by opening government.

To assess this variable, researchers establish the status quo at the outset of the action plan. They then assess outcomes *as implemented* for changes in government openness.

Readers should keep in mind limitations. IRM End of Term Reports are prepared only a few months after the implementation cycle is completed. The variable focus on outcomes that can be observed on government openness practices at the end of the two-year implementation period. The report and the variable do not intend to assess impact because of the complex methodological implications and the time frame of the report.

Finally, the graphs in this section present an excerpt of the wealth of data the IRM collects during its progress reporting process. For the full dataset for Azerbaijan, see the OGP Explorer at www.opengovpartnership.org/explorer.

Table 3: Assessment of Progress by Commitment

Commitment Overview	Specificity				OGP Value Relevance				Potential Impact				Completion		Midterm		Did it Open Government?			
	None	Low	Medium	High	Access to Information	Civic Participation	Public Accountability	Technology & Innovation for Transparency & Accountability	None	Minor	Moderate	Transformative	Not Started	Limited	End of Term		Worsened	Did Not Change	Marginal	Major
															Substantial	Completed				
Theme 1: Access to Information																				
1.1. Institutional Framework				✓	✓						✓			✓						
1.2. Training for Civil Servants			✓		✓					✓				✓						
1.3. Office of the Commissioner for Human Rights			✓		✓					✓				Unclear						
Theme 2: Public Awareness of State Institutions' Activities																				
2.1. Updates to State Institutions' Websites			✓		✓		✓			✓					✓					
2.2. Posting of Annual Reports on Website			✓		✓		✓			✓					✓					
2.3. Public Communication Events		✓			✓		✓		✓						✓					
2.4. Reader Friendly version of Legislation			✓		✓					✓			✓		Unclear					
2.5. Internet Resources about State Programmes			✓		✓					✓				✓						
2.6. Common, Minimum Standards for State Websites			✓		✓		✓		✓							✓				

Commitment Overview	Specificity				OGP Value Relevance				Potential Impact				Completion		Midterm		Did it Open Government?			
	None	Low	Medium	High	Access to Information	Civic Participation	Public Accountability	Technology & Innovation for Transparency & Accountability	None	Minor	Moderate	Transformative	Not Started	Limited	Substantial	Completed	Worsened	Did Not Change	Marginal	Major
2.7. Cabinet Ministers' Reports			✓			✓			✓				✓					✓		
Theme 3: Central Legislative Electronic Database																				
3.1. State Register for Legislation			✓		✓		✓		✓						✓					✓
Theme 4: Public Participation																				
4.1. Civil Society Involvement in Draft Legislation and Public Hearings			✓			✓					✓		✓							✓
4.2. Public Councils			✓			✓					✓		✓							✓
4.3. Public Participations through Webpages			✓			✓			✓				✓							✓
4.4. "Open Door" Citizen Forums			✓			✓	✓			✓			✓		✓					✓
Theme 5: E-Service																				
5.1. Evaluation of E-services			✓		✓		✓			✓				✓		✓				✓
5.2. Annual Public Presentations on E-services			✓				✓	✓		✓			✓							✓
5.3. United System of			✓		Unclear					✓					✓					✓

Commitment Overview	Specificity				OGP Value Relevance				Potential Impact				Completion		Midterm End of Term		Did it Open Government?			
	None	Low	Medium	High	Access to Information	Civic Participation	Public Accountability	Technology & Innovation for Transparency & Accountability	None	Minor	Moderate	Transformative	Not Started	Limited	Substantial	Completed	Worsened	Did Not Change	Marginal	Major
Electronic Information Exchange																✓				
5.4. Improved Electronic Payments		✓			Unclear						✓			✓				✓		
5.5. Access to E-services in the Regions			✓		✓		✓			✓			✓	✓				✓		
Theme 6: Transparency in State Financial Control Institutions																				
6.1. Legal and Institutional Framework for State Financial Control			✓				✓			✓			✓					✓		
6.2. Accountability and Transparency of State Financial Institutions			✓				✓			✓			✓						✓	
6.3. Use of Information Technologies in State Financial Control			✓		Unclear					✓			✓		✓			✓		
6.4. State Financial Control Databases		✓			Unclear					✓			✓		✓			✓		
6.5. Disclosure of Financial Reports			✓				✓			✓			✓		✓			✓		
6.6. Oversight of Local Budgets		✓			Unclear					✓			✓			✓				

Commitment Overview	Specificity				OGP Value Relevance				Potential Impact				Completion		Midterm / End of Term		Did it Open Government?			
	None	Low	Medium	High	Access to Information	Civic Participation	Public Accountability	Technology & Innovation for Transparency & Accountability	None	Minor	Moderate	Transformative	Not Started	Limited	Substantial	Completed	Worsened	Did Not Change	Marginal	Major
6.7. Reports on Annual Budget Implementation			✓		✓										✓				✓	
Theme 7: Transparency of Tax Control and Examination																				
7.1. Access to Necessary Information for Taxpayers		✓			✓	✓	✓		✓							✓			✓	
7.2. Tax Transparency			✓		✓		✓				✓			✓				✓		
7.3. Electronic Payment of Taxes		✓			Unclear				✓					✓			✓			
Theme 8: Transparency in Extractive Industries																				
8.1. Implementation of Extractive Industries Transparency Initiative			✓		✓	✓	✓		✓							✓			✓	
8.2. Disclosure of Income from Extractive Industries			✓		✓				✓							✓		✓		
8.3. Disclosure of Annual EITI Reports			✓		✓				✓							✓		✓		

Commitment Overview	Specificity				OGP Value Relevance				Potential Impact				Completion		Midterm / End of Term		Did it Open Government?			
	None	Low	Medium	High	Access to Information	Civic Participation	Public Accountability	Technology & Innovation for Transparency & Accountability	None	Minor	Moderate	Transformative	Not Started	Limited	Substantial	Completed	Worsened	Did Not Change	Marginal	Major

Theme 9: Awareness-Raising and Co-operation in the Field of Open Government

9.1. Disclosure of the Evaluation of OGP National Action Plan			✓		✓					✓			✓					✓			
9.2. Disclosure of Educational Material on OGP			✓		✓					✓			✓					✓			
9.3. Continued Implementation of OGP Commitments		✓							✓			Unclear					✓				
9.4. Financial Support to Civil Society for Open Government Initiatives			✓		✓					✓			✓				✓				

Theme I: Access to Information

1.1. Institutional Framework: Designation of the employees in charge of the access to information, adoption of the internal rules on freedom of information, and awareness raising by public institutions.

Responsible Institutions: Central and local executive authorities

Start Date: 2012

End Date: 2015

1.2. Training for Civil Servants: Comprehensive training for responsible civil servants in order to ensure freedom of information. (Central and local executive authorities, 2012-2015)

Responsible Institutions: Central and local executive authorities

Start Date: 2012

End Date: 2015

1.3. Office of the Commissioner for Human Rights Improvement of the structure of the Office of the Commissioner for Human Rights (Ombudsman) of the Republic of Azerbaijan in line with its role of overseeing the implementation of the Access to Information Act, specialized training of the relevant employees.

Responsible Institutions: Commissioner for Human Rights [Ombudsman]

Start Date: 1 January 2013

End Date: 31 December 2014

Commitment Overview	Specificity				OGP Value Relevance				Potential Impact				Completion		Midterm	Did it Open Government?							
	None	Low	Medium	High	Access to Information	Civic Participation	Public Accountability	Technology & Innovation for Transparency & Accountability	None	Minor	Moderate	Transformative	Not Started	Limited	Substantial	Completed	End of Term	Worsened	Did Not Change	Marginal	Major	Outstanding	
1.1. Institutional Framework				✓	✓						✓		✓						✓				
1.2. Training for Civil Servants			✓		✓						✓		✓						✓				
1.3. Office of the Commissioner for Human Rights			✓		✓						✓		Unclear						✓				

Commitment Aim

Azerbaijan passed the Law on Access to Information in 2005. The law has been amended several times, and after more than a decade since its passage, its implementation still faces several challenges. The law requires the appointment of a special information ombudsman, but the government has not

established the new institution, instead transferring the role to an existing ombudsman's office.¹ Civil society and media reported multiple cases of public institutions failing to act on information inquiries.²

Commitments under this theme proposed measures to address the challenges of the implementation of the Access to Information Law. These included creating Right to Information points of contact (1.1), adopting guidelines (1.1), training civil servants generally (1.2), and improving the ombudsman's office (1.3).

Status

Midterm

Commitment 1.1 - Limited: CSOs in Azerbaijan assessed 90 central and local authorities for compliance. They found that 24 percent of them had designated employees in charge of access to information, and 20 percent of assessed authorities adopted internal rules or conducted awareness-raising activities.³ The government reported that 76 percent of central authorities had points of contact, and made no specific reference to local authorities' rates of implementation. The government self-assessment also stated that all agencies had internal guidance on Right to Information responses, although there is no means of verifying this.

Commitment 1.2- Limited: 13 percent of 90 central and local executive authorities trained civil servants to ensure enforcement of the Law on Access to Information, according to CSOs. At the time of assessment, the government claimed 76 percent fulfilment, although it stated that it had yet to collect evidence of trainings.

Commitment 1.3- Unclear: Between September and December 2012, the Office of the Commissioner for Human Rights (or "Ombudsman") organised several meetings and roundtables in Baku and the regions. As part of the midterm review, the IRM national researcher sent an online information request to the Office of the Commissioner for Human Rights (ombudsman@ombudsman.gov.az) about the implementation of this commitment. The Office did not respond to the request.

End of term

Commitment 1.1 - Limited: Government and civil society assessments both stated that progress had been made towards installing international freedom of information standards, but gave different accounts about the level of completion. The IRM was unable to verify either point of view. Without clear and public documentation of the internal workings of authorities, the IRM cannot mark the commitment as substantially complete or incomplete. At the end of term, CSO monitoring of the action plan found that 34 of 92 authorities had designated employees in charge of access to information. In addition, 15 monitored authorities adopted internal rules on documentation and release of public information.⁴ The government self-assessment posits a compliance rate of 96 percent for both items.⁵ Some ministries, such as the Ministry of Taxes⁶, organized public awareness events on access to information. The IRM evaluated three authorities (Ministry of Information and Communications Technologies [MICT], Ministry of Social Protection [MSPP], and Central Bank) to identify where guidance was available. Where links were available, they led to general authority home pages (MICT), dead links (MSPP), or had no links (Central Bank). Due to the low amount of public information, the IRM codes this as having limited completion.

Commitment 1.2- Limited: According to the government's self-assessment, 90 percent of authorities complied. In the assessment of the CSO Monitoring Report, "24 of 92 monitored central and local executive authorities had conducted comprehensive training for responsible civil servants to ensure freedom of information." As in commitment 1.1, evidence for completion remained unverifiable. The IRM searched for evidence of completions (e.g. meeting minutes, photos, attendance sheets, reports) including in the government self-assessment report and CSO reports. An IRM evaluation of the same three authorities' websites could not confirm compliance.

Commitment 1.3- Limited: The government's self-assessment report evaluated the implementation status of this commitment as "partly implemented."⁷ After receiving this new responsibility, the Office of the Commissioner for Human Rights did not receive any additional funding or staff. According to the CSO Monitoring Report, preparatory activities to restructure the Office of the Commissioner to perform the oversight function were stalled.⁸ The request for restructuring and staffing for the department on matters of access to information within the Office was submitted to the Cabinet of Ministers for approval while the Ministry of Finance was tasked with funding the new department. CSOs report that funds were never allocated. The issue of staffing the new department was never resolved and, instead, some civil servants within the Office of the Commissioner were trained in dealing with freedom of information requests.⁹

Did it open government?

Access to information: Did not change

Overall, these three commitments did not lead to changes of government practice in improving access to information. A representative from Transparency International Azerbaijan noted that submitting access to information requests has become easier through the government e-portal (<http://www.dxr.az/>).¹⁰ However, there is no available evidence that requested information has become more accessible or that the quality of released information has increased. Stakeholders continue to report difficulty in getting responses to information requests. Employees designated as Freedom of Information (FOI) contacts in public institutions are most often press secretaries, individuals who generally lack the legal background to effectively ensure compliance with existing legislation.¹¹

According to the Freedom House 2015 report, authorities at all levels systematically refuse to respond to information requests. Lawsuits filed by media outlets and civil society representatives over state authorities' failure to act on information inquiries generally do not yield any results.¹² Further complicating things, recent changes to the law allow commercial enterprises to withhold information about their registration, ownership, and structure, severely limiting the ability of investigative journalists to uncover corruption in the corporate sector and identify the private assets of public figures.¹³

Carried forward?

All three commitments have been carried forward into the second national action plan. The scope of the commitment on training of civil servants was expanded to include new legal mechanisms to ensure access to information in addition to specialized trainings.

¹ „Anti-Corruption Reforms in Azerbaijan: Fourth Round of Monitoring of the Istanbul Anti-Corruption Action Plan,” Organisation for Economic Co-Operation and Development Anti-corruption Network for Eastern Europe and Central Asia, 16 September 2016, <http://www.oecd.org/corruption/acn/Azerbaijan-Round-4-Monitoring-Report-ENG.pdf>, page 8.

² Ibid.

³ Transparency International Azerbaijan and Economic Research Center, Monitoring Report on implementation of Azerbaijan Open Government Initiative National Action Plan for 2012-2015”, Baku, 2013
<http://booking.developmentgateway.org/>

⁴ “Monitoring Report on the implementation of the Open Government Initiative National Action Plan for 2012-2015,” Transparency International Azerbaijan, May 2016, <http://bit.ly/2dbWHU1>

⁵ “Government Self-Assessment Report,” Commission on Combatting Corruption of the Republic of Azerbaijan, 2016, <http://bit.ly/2cZ5vxB>

⁶ <http://www.taxes.gov.az/uploads/DP/DP2.pdf>.

⁷“Government Self-Assessment Report,” Commission on Combatting Corruption of the Republic of Azerbaijan, 2016, <http://bit.ly/2cZ5vxB>

⁸ “Monitoring Report on the implementation of the Open Government Initiative National Action Plan for 2012-2015,” Transparency International Azerbaijan, May 2016, <http://bit.ly/2dbWHU1>

⁹ Ibid.

¹⁰ Rena Safaraliev (Transparency International Azerbaijan), survey administered by IRM staff, 18 August 2016

¹¹ “Monitoring Report on the implementation of the Open Government Initiative National Action Plan for 2012-2015,” Transparency International Azerbaijan, May 2016, <http://bit.ly/2dbWHU1>

¹² Freedom House, Freedom in the World report 2015: <https://freedomhouse.org/report/freedom-world/2015/azerbaijan>

¹³ Ibid.

Theme 2: Public Awareness of State Institutions' Activities

2.1. *Updates to State Institutions' Websites: Uploading and updating of information on their activity at their respective webpages.*

Responsible Institutions: Central and local executive authorities

Start Date: Not specified

End Date: Not specified

2.2. *Posting of Annual Reports on Websites: Composition of the annual reports and their uploading to the webpages.*

Responsible Institutions: Central and local executive authorities

Start Date: September 2012

End Date: 31 December 2015

2.3. *Public Communication Events: Holding of press conferences and other direct public communication events about their performance by state institutions.*

Responsible Institutions: Central and local executive authorities

Start Date: September 2012

End Date: 31 December 2015

2.4. *Reader-Friendly Versions of Legislation: Dissemination of reader-friendly versions of the legislation regulating the activity of the state institution, developed guiding principles.*

Responsible Institutions: Central and local executive authorities

Start Date: September 2012

End Date: Not specified

2.5. *Internet Resources about State Programmes: Development of the internet sources dedicated to the areas covered by the state programmes*

Responsible Institutions: Central and local executive authorities

Start Date: September 2012

End Date: 31 December 2014

2.6. *Common, Minimum Standards for State Websites: Development and adopting common template and minimum standards for the websites and internet resources of state institutions according with contemporary standards.*

Responsible Institutions: Cabinet of Ministers, Special State Protection Service, Commission on Combating Corruption

Start Date: 1 January 2013

End Date: 31 December 2013

2.7. *Cabinet of Ministers' Reports: Inclusion of the information on measures taken in order to promote open government and combating corruption in the reports of the Cabinet of Ministers of the Republic of Azerbaijan to Milli Meclis (Parliament) of the Republic of Azerbaijan.*

Responsible Institutions: Cabinet of Ministers

Start Date: September 2012

End Date: 31 December 2015

Commitment Overview	Specificity				OGP Value Relevance				Potential Impact				Completion		Midterm	Did it Open Government?				
	None	Low	Medium	High	Access to Information	Civic Participation	Public Accountability	Technology & Innovation for Transparency & Accountability	None	Minor	Moderate	Transformative	Not Started	Limited	Substantial		Completed	End of Term		
2.1. Updates to State Institutions' Websites			✓		✓		✓			✓					✓			✓		
2.2. Posting of Annual Reports on Website			✓		✓		✓				✓				✓			✓		
2.3. Public Communication Events		✓			✓		✓			✓					✓			✓		
2.4 Reader Friendly version of Legislation			✓		✓						✓							✓		
													Unclear							
2.5. Internet Resources about State Programmes			✓		✓						✓			✓						✓
2.6. Common, Minimum Standards for State Websites			✓		✓		✓			✓							✓		✓	
2.7. Cabinet Ministers' Reports			✓				✓			✓				✓				✓		

Commitment Aim

This set of commitments aims to facilitate public knowledge of government activities and institutions. Commitments under this theme ranged from updating websites of central and local authorities to holding public communication events on government activities and creating reader-friendly versions of legislation on state institutions.

These commitments focused on making technical improvements to online government resources and represented ongoing government efforts to inform the public.

Status

Midterm

Commitment 2.1 - Substantial: The government self-assessment reported that most state authorities (88 percent) update their websites on a regular basis. According to the midterm IRM progress report, the websites had been regularly updated, but this was a common practice prior to the commitment period.

Commitment 2.2- Substantial: The government self-assessment reported that most state authorities (88 percent) had posted their annual reports to their websites. According to the midterm IRM progress report, this commitment was substantially completed.

Commitment 2.3- Substantial: The government reported that 79 percent of state institutions have held public communication events.¹ CSOs confirmed that most institutions have held these events. According to the midterm IRM progress report, over half of the institutions have held at least one press conference per year. The report also notes that these press conferences often do not cover the most critical issues facing the country, and these events are not open to journalists who are known to be critical of the government.

Commitment 2.4- Not Started: The government reported in its self-assessment report that more than half (55 percent) of state institutions have implemented this commitment and cited that the State Agency for Public Services and and Social Innovation has published user-friendly guides about the Azerbaijan Service and Assessment Network (ASAN) service centers and service fees. This information was also published online. However, the commitment was to disseminate reader-friendly versions of legislation regulating state institutions' activities. The IRM researcher examined multiple webpages of states institutions and could not find any evidence of changes in the language of legislation governing those state institutions.

Commitment 2.5- Limited: The government self-assessment report noted that 72 percent of state institutions have made information about their programmes available online. The IRM researcher found that only a few state programmes such as the Study Abroad State Program created new websites dedicated to providing the public with information on programme activities.

Commitment 2.6- Completed: The government reported that the Cabinet of Ministers adopted implementation standards and a uniform model for state websites. According to the CSO Monitoring Report, "The Requirements on the Development and Maintenance of the Internet Information Resources of the State Institutions" was approved by decree number 189 of the Cabinet of Ministers on 4 September 2012.² The websites of the state authorities have been aligned with the common template and minimum criteria set by this document and thus this action has been completed.

Commitment 2.7- Limited: The government reported that the Annual Report of the Cabinet of Ministers to Milli Meclis (Parliament) included information on measures to promote open government and combat corruption. The IRM researcher found that the report partly covered measures on anti-corruption activities, but did not include information on promoting open government. The report was not publically available and the IRM researcher received this information from members of Parliament.

End of term

Commitment 2.1 - Substantial: According to the government end of term self-assessment report, 90 percent of state authorities have fully implemented the commitment.³ The CSO Monitoring Report found that out of 45 agencies assessed, some did not have up-to-date information.⁴ An IRM review of three selected government websites, indicative of the larger group, showed that all were regularly updated with recent news and announcements about agency activities.⁵

Commitment 2.2- Substantial: The government self-assessment report states that 90 percent of authorities have been posting annual reports on their websites. According to the CSO Monitoring Report,⁶ the websites of central executive authorities do not always list the reports in dedicated sections. The IRM conducted a review of three randomly selected government websites and found that all listed annual reports. Two of the three websites' latest reports were from 2014.⁷

Commitment 2.3- Substantial: The government reported that most state institutions (82 percent) have held public events. The government self-assessment states that “reception of citizens was organized, their complaints and offers were registered and appropriate measures taken.” CSOs confirmed that most institutions have held “meetings dedicated to reporting their activities.” However, the CSO Monitoring Report notes that information provided during these events did not cover any financial aspects of state institutions’ activities as laid out in the commitment. CSOs report that procurement tenders and budget expenses are perceived as state secrets. They give an example that while the scale of construction and renovation works would be detailed in the reports, no information is disclosed on the funds spent on these projects. While the commitment does not require 100 percent of agencies to have completed communication events, the IRM was unable to verify the content provided at events because there was little publicly available evidence. Therefore, the IRM cannot verify that this commitment was fully completed.

Commitment 2.4- Unclear: The CSO Monitoring Report cites several agencies that published informational booklets and updated the FAQ section of their websites, but the extent of these activities is unclear. The government reported in its self-assessment that 65 percent of state institutions have fully implemented the commitment. However, the IRM was unable to verify this figure, and no clear baseline could be established from the vague wording of the commitment text.

Commitment 2.5- Limited: The government self-assessment report noted that 72 percent of state institutions have made information about their programmes available online. The IRM evaluated several government websites indicative of the larger group, and found that only a few state programmes (e.g. the Study Abroad State Program) had created new webpages dedicated to providing information on programmes.

Commitment 2.7- Limited: The government reported in their self assessment that information on measures to promote open government and combat corruption was included in the Annual Report of the Cabinet of Ministers to Milli Meclis (Parliament). The CSO Monitoring Report states that “the report of the Cabinet of Ministers mentions the Open Government Initiative National Action Plan for 2012-2015 only four times and in each case refers to fragmented details about work done by various state institutions in regards to the implementation of the plan.”⁸ The IRM confirms that information in the report did not provide clear, detailed descriptions of what activities had been carried out to improve open government as assessed by OGP criteria.

Did it open government?

Commitment 2.1

Access to Information: Did not change

Public Accountability: Did not change

Overall, the commitment did not change the status of access to information or public accountability. Government agencies were already updating agency webpages before joining OGP. Stakeholders report significant variation in the quality and quantity of information posted across state websites. Some websites are updated several times a day. Others post only annual reports or short blogs on achievements. Local executive authorities, generally, have more limited postings.⁹ According to the

representative of Transparency International Azerbaijan, the official websites of the local executive authorities have multiple issues with functionality.¹⁰ It is difficult to find useful information on public office hours and on solutions to social and economic problems. The websites do not include notices, decisions, or regulatory acts issued by the local executive authorities, though some may include references to general law. In addition, stakeholders report that variation exists within the types of activities published. Specifically, greater attention is given to citizen obligations (such as taxes or duties) versus government responsibilities to the public (such as health benefits).¹¹

Commitment 2.2

Access to information: Did not change

Public Accountability: Did not change

Overall, the commitment did not change government practice regarding access to information or public accountability. The number of authorities publishing annual reports on their websites is the same as prior to the start of the OGP action plan. In addition, stakeholders reported at the midterm that even if agencies published reports, their contents were often not comprehensive. Furthermore, report publications are often delayed and accompanied by no public relations outreach to boost readership.¹² The publication of annual reports does not itself create a mechanism of accountability, and in practice has not resulted in opportunities for citizens to hold government accountable.

Commitment 2.3

Access to information: Did not change

Public accountability: Did not change

Stakeholders expressed in meetings and interviews that this commitment is mostly routine activity that does not add any significant value for open government promotion in the country. In addition, public events sometimes avoided touching on all government activities and areas of responsibility. In particular, authorities often excluded budget expenses from the agenda, as they are perceived as too sensitive for disclosure.¹³

Commitment 2.4

Access to information: Did not change

Reader-friendly guides could assist citizens in navigating the system of complex regulations governing the function of state institutions. The implementation of this commitment did not extend beyond a limited number of government authorities. In practice, the amount of information provided because of these commitments appears to be negligible.

Commitment 2.5

Access to information: Marginal

Overall, the commitment had minor influence on improving access to information on state programmes. Internet sources created under the commitment contain information on government programmes and are user-friendly. According to the stakeholders surveyed by the IRM, in most cases the state websites provided general descriptive information, even if they lacked useful details on the status of state programme implementation or allocated budgets.

Commitment 2.6

Access to information: Did not change

Overall, this commitment did not change the status quo of access to information in Azerbaijan. Website enhancements in design and functionality have led to internal improvements, but did not lead to any changes in government practice.

Commitment 2.7

Public Accountability: Did not change

Overall, the commitment did not change the status quo on improving public accountability for the citizens in Azerbaijan. Given that information on open government was presented in a disjointed manner in parliamentary reports, it lessened the salience of this information for lawmakers. Stakeholders thought these reports were not user-friendly for CSOs or the public. Finally, stakeholders report a significant lag between the presentation of reports to parliament and public dissemination of the documents, which further weakened the utility of the reports.¹⁴

Carried forward?

Out of seven commitments under this theme one commitment on inclusion of anti-corruption and open government measures in the Cabinet of Minister's reports (2.7) has been carried forward into Azerbaijan's second national action plan.

¹ Government Self-Assessment Report," Commission on Combatting Corruption of the Republic of Azerbaijan, 2016, <http://bit.ly/2cZ5vx8>

² "The REQUIREMENTS on the Development and Maintenance of the Internet Information Resources of the State Institutions" was approved by the decree number 189 of the Cabinet of Ministers dated September 4, 2012: <http://e-qanun.az/framework/24256>

³ Government Self-Assessment Report," Commission on Combatting Corruption of the Republic of Azerbaijan, 2016, <http://bit.ly/2cZ5vx8>

⁴ "Monitoring Report on the implementation of the Open Government Initiative National Action Plan for 2012-2015," Covering September 2013- December 2014. Transparency International Azerbaijan, May 2016, <http://bit.ly/2qSWaMg>

⁵ IRM Audit: Ministry of Labor and Social Protection <http://www.mlsp.gov.az/en/pages/1> accessed 11 November 2016

Ministry of Communication and High Technologies http://www.mincom.gov.az/?locale=en_US accessed 11 November 2016

Ministry of Education <http://edu.gov.az/en> accessed 11 November 2016

⁶ "Monitoring Report on the implementation of the Open Government Initiative National Action Plan for 2012-2015," Covering January 2015- December 2015. Transparency International Azerbaijan, May 2016, <http://bit.ly/2qSWaMg>

⁷ IRM Audit: Ministry of Labor and Social Protection <http://www.mlsp.gov.az/en/pages/1> accessed 11 November 2016

Ministry of Communication and High Technologies http://www.mincom.gov.az/?locale=en_US accessed 11 November 2016

Ministry of Education <http://edu.gov.az/en> accessed 11 November 2016

⁸ "Monitoring Report on the implementation of the Open Government Initiative National Action Plan for 2012-2015," Covering January 2015- December 2015. Transparency International Azerbaijan, May 2016, <http://bit.ly/2qSWaMg>

⁹ "Monitoring Report on the implementation of the Open Government Initiative National Action Plan for 2012-2015," Covering January 2015- December 2015. Transparency International Azerbaijan, May 2016, <http://bit.ly/2qSWaMg>

¹⁰ Rena Safaraliev (Transparency International Azerbaijan), survey administered by IRM researcher, 18 August 2016

¹¹ Ibid.

¹² Rena Safaraliev (Transparency International Azerbaijan), survey administered by IRM researcher, 18 August 2016

¹³ Monitoring Report on the implementation of the Open Government Initiative National Action Plan for 2012-2015," Covering January 2015- December 2015. Transparency International Azerbaijan, May 2016, <http://bit.ly/2qSWaMg>

¹⁴ Rena Safaraliev (Transparency International Azerbaijan), survey administered by IRM researcher, 18 August 2016

Theme 3: Central Legislative Electronic Database

3.1. State Register for Legislation: Regular updating and ensuring operating state of the State Register for Legislation of the Republic of Azerbaijan, as the official legal citation source.

Responsible Institution: Ministry of Justice

Start Date: September 2012

End Date: Not specified

Commitment Overview	Specificity				OGP Value Relevance				Potential Impact				Completion				Did it Open Government?			
													Midterm		End of Term					
	None	Low	Medium	High	Access to Information	Civic Participation	Public Accountability	Technology & Innovation for Transparency & Accountability	None	Minor	Moderate	Transformative	Not Started	Limited	Substantial	Completed	Worsened	Did Not Change	Marginal	Major
		✓			✓				✓						✓					✓

Commitment Aim

The online State Register for Legislation of the Republic of Azerbaijan (<http://www.huquqiaktlar.gov.az>) became operational in November 2011. The commitment aimed to continue regular updates of the website to publish legal acts. Regular updates to the register could lead to better public access to legal acts and greater awareness of laws passed by parliament.

Status

Midterm: Substantial

At one-year mark of the action plan, the Independent Reporting Mechanism (IRM) researcher noted that the Ministry of Justice regularly updated the online state register. The website provided access to electronic versions of all registered legal acts.

End of term: Complete

Throughout the implementation period, updates to both the State Register for Legislation of the Republic of Azerbaijan (<http://www.huquqiaktlar.gov.az>) and the National Legislation Database (www.e-qanun.az) occurred regularly. According to the government self-assessment report, 1,727 documents were transferred into the online State Register for Legislation and 1,756 documents were posted on the National Legislation Database. The government self-assessment report notes that the legislation database attracted 175,688 visitors in 2014, a 14 percent increase from the previous year. Operability functions were also improved.¹ Some stakeholders pointed out that although the register is generally updated, “at times it takes four to five months to update laws after they have been officially changed.” International agreements and treaties are not included in the online register.²

Did it open government?

Access to Information: Major

As written, the commitment did not indicate any stretch in the existing government practice of providing public access to legislation, as the online register predated the OGP commitment period. However, it is evident that the government has improved the platform, the database has been largely updated with new legal documents and usage statistics have been increasing. Given the limited information available, it is not possible to link improvements to the website with increased use. However, stakeholders generally considered the publication system reliable and expedient. They also pointed to some issues, such as disruptions in website availability during times of extensive law-drafting³, the relative slowness of updating reformed legislation, and the exclusion of local executive law-making, international treaties, and some central ministries from the database.⁴ The frequency and amount of information regularly added to the website has improved as a result of this commitment, a significant change in the context of Azerbaijan's restrictive information environment.

Carried forward?

The commitment has been carried forward into Azerbaijan's second national action plan (NAP). In addition to the current commitment requirements, the second NAP pledges to develop a mobile app for legislative access.

¹ "Government Self-Assessment," Anti-Corruption Commission of Azerbaijan, 2014, <http://bit.ly/2cZ5vxB>

² "Stakeholder Survey," Administered by IRM, September 2016

³ "Monitoring Report on the implementation of the Open Government Initiative National Action Plan for 2012-2015," Transparency International Azerbaijan, May 2016, <http://bit.ly/2dbWHU1>

⁴ "Stakeholder Survey," Administered by IRM, September 2016

Theme 4: Public Participation

4.1. Civil Society Involvement in Draft Legislation and Public Hearings: Involvement of the civil society representatives in the elaboration of draft legislation of public interest, organisation of public hearings by state institutions.

Responsible Institutions: Central and local executive authorities

Start Date: September 2012

End Date: Not specified

4.2. Public Councils: Establishment of the appropriate councils and/or cooperation networks with a view to improve interaction with the civil society by state institutions rendering public services.

Responsible Institutions: Central and local executive authorities

Start Date: September 2012

End Date: Not Specified

4.3. Public Participation through Webpages: Usage of webpages as means of involving the public in decision-making process on matters of public concern (receipt of comments and proposals of citizens, organisation of discussions, development of the questions-answers sections, etc.)

Responsible Institutions: Central and local executive authorities

Start Date: September 2012.....

End Date: Not Specified

4.4. "Open Door" Citizen Forums: Organization of the "Open-Door" citizen forums by state institutions.

Responsible Institution: Central and local executive authorities

Start Date: September 2012

End Date: Not specified

Commitment Overview	Specificity				OGP Value Relevance				Potential Impact				Completion		Midterm	Did it Open Government?						
	None	Low	Medium	High	Access to Information	Civic Participation	Public Accountability	Technology & Innovation for Transparency & Accountability	None	Minor	Moderate	Transformative	Not Started	Limited	Substantial	Completed	Worsened	Did Not Change	Marginal	Major	Outstanding	
4.1. Civil Society Involvement in Draft Legislation and Public Hearings			✓			✓						✓		✓				✓				
4.2. Public Councils			✓			✓						✓		✓				✓				
4.3. Public Participations through Webpages			✓			✓				✓			✓					✓				

Ministry of Justice. The IRM researcher found that most of the central and local authorities had not yet established their public councils.

Commitment 4.3- Limited: According to the government self-assessment report, 81 percent of central authorities implemented this commitment. CSOs confirm that most central authorities had their own official websites that include special links such as “appeals,” “questions and suggestions,” “frequently asked questions - FAQ,” “meeting days,” “contacts,” etc. There are no clear follow-up mechanisms on public inputs provided online. Without these mechanisms, it is difficult to conclude that official websites have been used as effective tools for public participation in the decision-making process.

Commitment 4.4- Limited: During the OGP commitment period, various central and local executive authorities announced “open door” events for media representatives, CSOs, and citizens. The government self-assessment report states that 72 percent of state authorities have held open door forums. The CSO Monitoring Report confirms that over 70 percent have complied, noting that “78 out of 94 monitored central and local executive authorities (or 83 percent) are organizing ‘Open-Door’ forums on a regular basis.” The announcements about the upcoming forums and the topics discussed as part of these forums are regularly published on the websites of the respective executive authorities.⁵ For example, the Ministry of Taxes, Ministry of Economy and Industry, State Committee for Family, Women and Children Affairs, State Statistics Committee, State Committee for Securities, and other state institutions organised open door events. In addition, some ministries visited the regions to meet with citizens and learn about local problems.

End of term

Commitment 4.1 - Limited: According to the procedure for public consultation established by the decree of the Cabinet of Ministers (May 2014), the central executive authorities are to publish the Draft Legislation Act on their official website and on the e-government website. The draft should be on the website for a period of 60 days to receive feedback from the public. If it is authorized to pass in three months or less, the draft should be available for public comment online for at least 10 days. According to the CSO Monitoring Report, most central authorities assessed did not comply with these requirements.

The government’s self-assessment report pointed out that “56 percent of governmental agencies have accomplished the requirements of this item fully.”⁶ According to the CSO Monitoring Report, less than half of the draft legislation acts involved civil society representatives. The CSO report states that “16 of the monitored 46 central executive authorities have organized public discussions.”⁷ Some central executive authorities stated that they have done preparatory work in this area. Others explained the lack of consultation by saying that they did not prepare any legislative acts within the reporting period.

Commitment 4.2- Limited: The government’s self-assessment report asserts that 48 percent of authorities have fully implemented the commitment, but does not provide any evidence of increased engagement with civil society.⁸ The CSO Monitoring Report confirms the establishment of these councils. According to the experts surveyed for this report, there were 10 community councils formed, of which eight were under the jurisdiction of the central executive authorities.⁹ On the local level, two councils were established in the Binagadi and Ismaili regions. More importantly, according to stakeholder reports, the few public councils formed under this commitment did not hold required open elections for members.¹⁰

Commitment 4.3- Limited: As at midterm, the CSO Monitoring Report confirms that 46 of 48 central executive authorities have an FAQ and electronic suggestion or appeals submission sections on their website. The IRM has reviewed a sample of government websites and verified that they included mechanisms to provide feedback on user satisfaction with government services.¹¹ However, there is little information available regarding the use of websites to facilitate public participation beyond these measures. It is not clear that public discussions or similar activities take place through the websites. In addition, stakeholders reported that the FAQs were often based on outdated

information. Therefore, this commitment has been assessed as achieving limited completion at the end of term.

Commitment 4.4- Substantial: The government's self-assessment report pointed out that numerous open door public forums were conducted, especially in the regions, and the citizens welcomed them. According to the CSO Monitoring Report, 36 out of 46 monitored central authorities and 37 out of 45 monitored local authorities hosted a citizen's forum.¹² Announcements regarding the upcoming forums and the topics discussed as part of these forums are regularly published on the websites of the respective executive authorities.¹³

Did it open government?

Commitment 4.1

Citizen Participation: Did not change

Overall, the commitment did not change government practice for improving opportunities for civic participation. According to the CSO Monitoring Report, there is no public information available on official government websites that include details about organisations or individuals that took part in the discussions nor any proposals put forward by CSOs during consultations.¹⁴ Finally, civil society actors have also indicated that information regarding upcoming hearings and the proceedings of past hearings are difficult to find online.¹⁵

While there are legislative rules in place for holding public consultations, according to experts surveyed for this report, these rules are not followed for the most important pieces of legislation. For example, the Constitutional Court approved amendments to the Referendum Act ("On Amendment to the Constitution of Azerbaijan Republic") without consulting the Parliament or broader public. The draft amendments covered 29 provisions from different parts of the Constitution. It modified a number of human rights provisions, in some cases introducing limitation clauses. Furthermore, it gave additional powers to the president, increasing the term limit and introducing the position of a vice president. In an open letter to the Council of Europe on 4 September 2016, several Azerbaijan civil society leaders appealed to the Council of Europe Secretary General to refer the proposed constitutional changes to the Venice Commission. The letter stated that the "attempt by Azerbaijani government to hastily ram through changes without consent from Parliament, combined with complete absence of public debate on the issue, suggests that the conduct of the current referendum is contrary to Council of Europe standards."¹⁶ In its preliminary opinion on the draft modifications to the Constitution, the Venice Commission stated that "parliamentary debates would have usefully fed public discussion. The fact that the reform has been initiated immediately before the summer break has reduced the possibility for meaningful discussion even further."¹⁷ The referendum was held on 26 September 2016, and all amendments passed.

Commitment 4.2

Citizen Participation: Did not change

Overall, the commitment did not change the status of opportunities for civic participation in Azerbaijan. Effective public councils could potentially bring citizen voices directly into public policymaking, creating more responsive public services. However, this commitment did not lead to creation of councils that would represent citizen voices. According to the stakeholders surveyed by the IRM, no elections were held and instead all members of community councils were appointed. There is no publicly available information on what issues councils have discussed, who participated, or what the outcomes were.

Commitment 4.3

Citizen Participation: Did not change

Overall, the commitment did not lead to any changes in government's pre-existing practice on civic participation. Considering that most central and local authorities had websites with similar features before the adoption of the national action plan, this particular commitment did not lead to any notable change in practice. In addition, stakeholders reported that while websites listed FAQs and hosted a suggestion box, almost no activities were carried out to promote public participation beyond these static measures.¹⁸ Finally, no government data is published on received suggestions,

such as the number of comments, questions answered, and steps taken in response to citizen questions.¹⁹

Commitment 4.4

Civic Participation: Did not change

Public Accountability: Did not change

Overall, the commitment did not lead to any changes for improving opportunities for civic participation or public accountability. Open Door forums were mainly opportunities for government agencies to inform participants about their activities. Furthermore, surveyed stakeholders indicated that oftentimes such events are invitation-only and do not result in real opportunities for citizens to bring their grievances to the attention of government.²⁰ A representative of Transparency International Azerbaijan has called these forums “just a show for reporting purposes.”²¹ Furthermore, the forums do not have a clear format and the list of participants is closed, with no record indicating what was discussed in these forums.

Carried forward?

Out of four commitments under this theme, only the commitment on Public Councils (4.2) has been carried forward to Azerbaijan’s second national action plan. The commitment has been expanded into two commitments, 4.2.1 and 4.2.2. The first commitment seeks to strengthen the activity of public councils, and the second aims to improve internet resources on council activities.

¹ Paragraph 5.1. of Law on Public Participation of the Republic of Azerbaijan 2013

² „Government Midterm Self-Assessment Report,” Commission on Combatting Corruption of the Republic of Azerbaijan, 2016, <http://bit.ly/2cZ5vxB>

³ “Monitoring Report on the implementation of the Open Government Initiative National Action Plan for 2012-2015,” Covering September 2013- December 2014. Transparency International Azerbaijan, May 2016, <http://bit.ly/2qSWaMg>

⁴ IRM audit of parliament website www.meclis.gov.az, 04 November 2016.

⁵ “Monitoring Report on the implementation of the Open Government Initiative National Action Plan for 2012-2015,” Transparency International Azerbaijan, May 2016, <http://bit.ly/2dbWHUJ>

⁶ Government End of Term Self-Assessment Report,” Commission on Combatting Corruption of the Republic of Azerbaijan, 2016, http://www.opengovpartnership.org/sites/default/files/AZ_SelfAssess_2014.pdf

⁷ “Monitoring Report on the implementation of the Open Government Initiative National Action Plan for 2012-2015,” Covering January 2015 – December 2015, Transparency International Azerbaijan, May 2016 http://transparency.az/alac/files/OGP_report_2016_FINAL_EN.pdf

⁸ “Government Self-Assessment Report,” Commission on Combatting Corruption of the Republic of Azerbaijan, 2016, <http://bit.ly/2cZ5vxB>

⁹ “Monitoring Report on the implementation of the Open Government Initiative National Action Plan for 2012-2015,” Transparency International Azerbaijan, May 2016, <http://bit.ly/2dbWHUJ>

¹⁰ “Stakeholder Survey,” Administered by IRM Researcher, 15 September 2016
Ibid.

¹¹ Ministry of Communication and High Technologies, Ministry of Labor, and Republic of Azerbaijan Executive Power; websites reviewed by IRM 04 November 2016.

¹² “Monitoring Report on the implementation of the Open Government Initiative National Action Plan for 2012-2015,” Transparency International Azerbaijan, May 2016, <http://bit.ly/2dbWHUJ>

¹³ “Monitoring Report on the implementation of the Open Government Initiative National Action Plan for 2012-2015,” Covering January 2015 – December 2015, Transparency International Azerbaijan, May 2016

¹⁴ Stakeholder Survey,” Administered by IRM, September 2016

¹⁵ “Monitoring Report on the implementation of the Open Government Initiative National Action Plan for 2012-2015,” Covering January 2015 – December 2015, Transparency International Azerbaijan, May 2016, <http://bit.ly/2dbWHUJ>

¹⁶ “Civil society leaders appeal to Jagland ahead of Azerbaijan referendum,” Human Rights House Network, 7 September 2016, <http://humanrightshouse.org/Articles/21862.html>

¹⁷ <http://bit.ly/2dbmjPa>

¹⁸ “Monitoring Report on the implementation of the Open Government Initiative National Action Plan for 2012-2015,” Transparency International Azerbaijan, May 2016, <http://bit.ly/2dbWHUJ>

¹⁹ “Stakeholder Survey Administered by IRM Researcher, 15 September 2016

²⁰ “Stakeholder Survey,” Administered by IRM Researcher, 15 September 2016

²¹ IRM survey completed by Rena Safaraliev, August 18, 2016.

Theme 5: E-services

5.1. Evaluation of E-services: Evaluation of the e-services and public disclosure of its results.

Responsible Institutions: Ministry of Communications and IT, Citizen Services and Social Innovations State Agency with the President of the Republic of Azerbaijan

Start Date: September 2012

End Date: Not specified

5.2. Annual Public Presentations on E-services: Public presentation on E-services rendered by state institutions within their area of activity, at least once a year.

Responsible Institutions: Central executive authorities

Start Date: 1 January 2013

End Date: 31 December 2015

5.3. United System of Electronic Information Exchange: Establishment of the united system in order to ensure electronic information exchange between state institutions.

Responsible Institutions: Public Services and Social Innovations State Agency with the President of the Republic of Azerbaijan, Ministry of Communications and IT, Special State Protection Service

Start Date: 1 January 2013.....

End Date: 31 December 2014

5.4. Improved Electronic Payments: Improvement of electronic payment of fees, taxes, administrative fines, utility costs and other administrative dues.

Responsible Institutions: Central executive authorities, Public Services and Social Innovations State Agency

Start Date: 1 January 2013

End Date: 31 December 2014

5.5. Access to E-services in the Regions: Implementation of measures facilitating access to E-services in the regions.

Responsible Institutions: Central executive authorities, Public Services and Social Innovations State Agency, Ministry of Communications and IT

Start Date: 1 January 2013

End Date: 31 December 2014

Commitment Overview	Specificity				OGP Value Relevance				Potential Impact				Completion		Midterm	Did it Open Government?				
	None	Low	Medium	High	Access to Information	Civic Participation	Public Accountability	Technology & Innovation for Transparency & Accountability	None	Minor	Moderate	Transformative	Not Started	Limited	Substantial	Completed	Worsened	Did Not Change	Marginal	Major
5.1. Evaluation of E-services			✓		✓		✓				✓				✓			✓		
5.2. Annual Public Presentations on E-services			✓				✓	✓			✓			✓				✓		
5.3. United System of			✓		Unclear					✓						✓		✓		

Electronic Information Exchange																			
5.4. Improved Electronic Payments		✓			Unclear						✓						✓		
5.5. Access to E-services in the Regions			✓			✓		✓						✓					✓

Commitment Aim

This cluster of commitments focuses on expanding the scope and reach of e-services in Azerbaijan. It is necessary to note that two of the commitments were unclear, but seem to focus on internal processes of communication and information security. These commitments did not directly relate to open government values.

In 2010, the second E-Azerbaijan State Program was adopted. According to the Presidential Decree signed in May 2011 on The Measures in Organizing E-Services, state institutions offer e-services within the domain of their activity. The government launched an e-portal (www.e-gov.az) to ensure a central webpage for rendering current and future e-services. Under the decree, a State Agency for Public Services and Social Innovation was established in July 2012. The Agency was tasked with making public and financial services more easily accessible to all citizens. The Azerbaijan Service and Assessment Network (ASAN) centers were created to be a “one stop shop” for citizens to access services.¹ These include kiosks where citizens can make all payments online for state fees, penalties, utilities, post, insurance, and other public and private sector transactions.²

These commitments were created to evaluate, improve, and publicize e-services. Proposed activities included assessing electronic services, and publicly disclosing the results (5.1). Furthermore, the government proposed steps to inform citizens about existing services (5.2) and increased accessibility for government services in regions outside the capital (5.5).

Status

Midterm

Commitment 5.1 - Substantial: On 11 January 2013, the State Agency for Public Service and Social Innovations under the president adopted “Guidelines for the Evaluation of E-services.” The Ministry of Communication and Information Technology conducted its first evaluations and published the results in the “Electron Government Bulletin.” The seventh edition of the bulletin was published in July 2013 and was partly devoted to the evaluation of e-services and public disclosure of its results. That bulletin is available at: <https://www.e-gov.az/upload/documents/bulleten/bulleten-7.pdf>.

Commitment 5.2- Limited: According to the government midterm self-assessment report, 49 percent of institutions fully complied with this commitment.³ However, the CSO Monitoring Report found that 17 institutions, or roughly 35 percent, held organised public presentations of their e-services.⁴ This included the State Committee on Property Issues, the Ministry of Taxes, and the Ministry of Economy and Industry. According to the same report, these three institutions have regularly organised public presentations on the e-services they offer, and they have held meetings throughout regions outside the capital.

Commitment 5.3- Complete: According to official information provided by the Special State Protection Service on 31 May 2013, a secure intra-governmental information exchange

system/network was established (name: IPMPLS; speed: 10Gb/sec.). All information exchange processes occur through this network with more than 40 state bodies participating in the system. More than 114 new e-services have been integrated into the electronic government platform (www.e-gov.az).⁵

Commitment 5.4- Limited: According to the government self-assessment report, the Central Bank established the Government Payment Portal and was in the process of facilitating online payments.⁶ The multifunctional ASAN payment system was established. At midterm of the action plan, not all payment services for duties, taxes, administrative fines, and utility bills had been brought online. For example, the Ministry of Taxes did not present any information on electronic payment of taxes and improvement of e-services in its 2012 report on the implementation of the national action plan.

Commitment 5.5- Limited: On 29 May 2013, the State Agency for Public Service and Social Innovations started to provide mobile payment services with specially-equipped buses covering the whole territory of the country in a short time. The main purpose of this initiative was to ensure the accessibility of public services such as ATMs, mail post, and electronic utility payments for citizens living in remote areas. To further implement this commitment, the Ministry of Communications and Information Technology extended the scope and area of postal, financial, business, and ATM services through AZERPOST's new regional offices and facilities.⁷ AZERPOST (a public postal entity under the Ministry of Communications and High Technologies [MCHT]) continued to deliver financial services in the period from 2012 to 2013. Self-service kiosks were also installed in all ASAN service centers across various regions. The government planned to expand kiosk access to more regions. For that purpose, the government elaborated a project on development of national broadband internet which would provide access to high speed broadband and modern telecommunications services by building out fiber optical cable networks in every residential community.

End of term

Commitment 5.1- Complete: The government's self-assessment report pointed out that "438 electronic services of 42 state bodies have been evaluated in the framework of management of e-service and evaluation of provision measures by the State Agency for Public Service and Social Innovations and public disclosure of the results has been maintained."⁸ According to the CSO Monitoring Report, "The State Agency for Public Service and Social Innovations has approved an updated version of the Guidelines on the evaluation of the organization and provision of e-services by the state authorities."⁹ The guidelines are also published on the agency's website. Additionally, the agency has prepared the timetable of its evaluation of the e-services provided by 45 central executive authorities and published it on its website. The Ministry of Communication and High Technologies regularly publishes the statistical information about the e-services provided by the state institutions in the form of monthly newsletters on its official website.

Commitment 5.2- Limited: The level of implementation for this commitment remains limited at the end of term. The government's self-assessment report cites a compliance rate of 88 percent. However, CSO monitoring reported that during the implementation period, 21 of all 48 central executive authorities providing e-services have been observed holding public presentations. State institutions most often held these presentations as a part of various events dedicated to other purposes.

Commitment 5.4- Substantial: According to the government self-assessment report, more than 58 entities have joined the Government Payment Portal¹⁰. Online payments have been integrated into the infrastructure of the Azerbaijan Post Office and 42 banks.¹¹ Citizens can make a variety of payments through the portal, primarily utilities. Payments can be made in cash in 1,500 pay stations.¹²

Commitment 5.5- Limited: The CSO Monitoring Report revealed that "in order to facilitate the access to e-services in the regions and to raise the awareness of the local residents, the State Agency for Public Service and Social Innovations has the mobile ASAN service – specially equipped buses serving the population of 37 districts by providing e-services in 21 locations throughout the

country.”¹³ The government’s self-assessment report also states that AZERPOST established seven internet kiosks with broadband internet access in post offices in remote villages during 2014-2015.¹⁴ These mobile service offerings and kiosks represent an incremental step towards full e-service provision in the regions. The greatest limiting factor remains a lack of internet access in villages, and the MCHT remains in negotiations for the implementation of a new national internet development project.¹⁵

Did it open government?

Commitment 5.1

Access to Information: Did not change

This commitment did not have direct relevance to OGP values. However, it did result in many major improvements to efficient delivery of administrative services in Azerbaijan. Transactions that were previously lengthy and bureaucratic have been moved online and via ASAN centers opened throughout the country. These centers became operational in 2013 and since then receive 2,000-2,500 enquiries daily according to statistics published by the government. As of September 2014, 2 million citizens have been served, and overall administrative efficiency has greatly increased.¹⁶

This commitment to evaluate and publish information on e-services could have contributed to providing more information to the public about the scope and quality of e-services available. However, the activities carried out have not resulted in the release of new information of public interest, such as the shortcomings of e-government, areas of improvement, or any information regarding user-satisfaction. Although statistics on the number of users have been released and the government reports numerous new services available, the evaluation is lacking an assessment of user opinions on the value and quality of these services. Therefore, no new government-held information has been released, and this commitment did not change access to information as it relates to OGP coding.

Commitment 5.2

Public Accountability: Did not change

Public presentation on e-services could help inform the public about existing e-services, such as application for targeted social assistance, application for various permits and licenses, and payment of utilities or taxes. As it was implemented, this commitment did not lead to more public accountability as no new mechanism was developed to hold government accountable.

There is no publicly available evidence as to whether citizens were able to participate during the presentations by asking questions or raise their grievances regarding access and usage of these services.

Commitment 5.3

Access to Information: Did not change

Civic Participation: Did not change

Public Accountability: Did not change

Overall, the commitment did not change the practice related to opening government in Azerbaijan. The commitment is wholly inward-looking for the government, improving efficiency of work between and within ministries, but it does not engage citizens further in the government’s activities.

Commitment 5.4

Access to Information: Did not change

Civic Participation: Did not change

Public Accountability: Did not change

Overall, the commitment had no influence on opening government. While e-services and introduction of electronic payment mechanisms improve citizens’ interactions with government services, these measures do not have any direct link to opening government.

Commitment 5.5

Access to information: Did not change

Public Accountability: Did not change

Historically in Azerbaijan, regions outside of the capital Baku—where approximately 65 percent of the population lives—have had less access to e-services as the population living in the capital. This commitment sought to expand access to e-services to these regions but did not specify which services and what would be the intended results.

During the commitment period, there have been improvements in making e-services more accessible to people living outside the capital. For example, ASAN has greatly expanded its reach in service delivery, and around six million people have received services since its inception.¹⁷ Services include certificates for birth, death, and marriage, residence permits, bank services, insurance, medical documents, and utility bills, representing many cases of public-private partnership. There are now mobile ASAN services delivered to remote areas by buses equipped with “one stop shops.” According to media reports, since its establishment in May 2013 and as of January 2016, mobile state services have been provided to approximately 230,000 people in all regions of Azerbaijan.¹⁸ These improvements have garnered international recognition and awards.¹⁹

While these steps improved e-services, they did not open government according to OGP criteria. This commitment did not lead to opportunities for citizens to access government-held information or to hold public officials accountable.

Carried forward?

Of these five commitments, two have been carried forward to the next action plan: Presentations on E-services (5.2) and Improved Electronic Payments (5.4). Commitment 5.4 has been amended in the next action plan to include more specific plans to digitize issuance of higher education certificates and improve electronic payments for taxes at the local level.

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- ¹ „State Agency for Public Services and Social Innovations Under President established in Azerbaijan” Trend News Agency. 14 July 2012. <http://en.trend.az/business/it/2046909.html>
- ² Presentation of Public Service Delivery Innovations of Azerbaijan, <http://www.sesric.org/imgs/news/presentations/1319-PublicServiceDeliveryInnovationsofAzerbaijan.pdf>
- ³ “Government Self-Assessment Report,” Commission on Combatting Corruption of the Republic of Azerbaijan, 2016, <http://bit.ly/2cZ5vxB>
- ⁴ “Monitoring Report on the implementation of the Open Government Initiative National Action Plan for 2012-2015,” Covering September 2013- December 2014. Transparency International Azerbaijan, May 2016, <http://bit.ly/2dbWHU1>
- ⁵ “Monitoring Report on the implementation of the Open Government Initiative National Action Plan for 2012-2015,” Transparency International Azerbaijan, May 2016, <http://bit.ly/2dbWHU1>
- ⁶ Government Self-Assessment Report,” Commission on Combatting Corruption of the Republic of Azerbaijan, 2016, <http://bit.ly/2cZ5vxB>
- ⁷ “Government Mid-term Self-Assessment Report,” Commission on Combatting Corruption of the Republic of Azerbaijan, 2016, <http://bit.ly/2cZ5vxB>
- ⁸ “Government Self-Assessment Report,” Commission on Combatting Corruption of the Republic of Azerbaijan, 2016, <http://bit.ly/2cZ5vxB>
- ⁹ “Monitoring Report on the implementation of the Open Government Initiative National Action Plan for 2012-2015,” Transparency International Azerbaijan, May 2016, <http://bit.ly/2dbWHU1>
- ¹⁰ “Government End of Term Self-Assessment Report,” Commission on Combatting Corruption of the Republic of Azerbaijan, 2016, <http://bit.ly/2cZ5vxB>
- ¹¹ An IRM audit of the portal showed that a variety of payments can be made, including utilities. <https://gpp.az/en>, 7 November 2016.
- ¹² “Government Self-Assessment Report,” Commission on Combatting Corruption of the Republic of Azerbaijan, 2016, <http://bit.ly/2cZ5vxB>
- ¹³ Monitoring Report on the implementation of the Open Government Initiative National Action Plan for 2012-2015,” January – December 2015 monitoring period, Transparency International Azerbaijan, May 2016, <http://bit.ly/2dbWHU1>
- ¹⁴ “Government End of Self-Assessment Report,” Commission on Combatting Corruption of the Republic of Azerbaijan, 2016, <http://bit.ly/2cZ5vxB>
- ¹⁵ “Monitoring Report on the implementation of the Open Government Initiative National Action Plan for 2012-2015,” January – December 2015 Monitoring period, Transparency International Azerbaijan, May 2016, <http://bit.ly/2dbWHU1>, “Stakeholder Survey,” Administered by IRM Researcher, 15 September 2016
- ¹⁶ „The New Generation of Public Services in Azerbaijan” prepared by Kamran Agasi, director of Innovations Center. Presented in Brussels September 2014. <http://teas.eu/files/BFB2014presentations/Kamran%20Agasi.pdf>
- ¹⁷ http://en.azvision.az/3_years_pass_since_-27722-xeber.html Accessed 7 November 2016
- ¹⁸ http://en.azvision.az/3_years_pass_since_-27722-xeber.html Accessed 7 November 2016
- ¹⁹ ASAN web page: <http://asan.gov.az/en/site/mapseyyar> accessed 7 November 2016, awards page: <http://asan.az/en/content/blog/403>

Theme 6: Transparency in State Financial Control Institutions

6.1. *Legal and Institutional Framework for State Financial Control: Delineation of powers of the [State Financial Control (SFC)] institutions and development of draft legislation providing for improved legal basis for the state financial control.*

Responsible Institutions: Cabinet of Ministers, Chamber of Accounts, Ministry of Finance and Ministry of Taxes

Start Date: 1 January 2013

End Date: 31 December 2014

6.2. *Accountability and Transparency of State Financial Control Institutions: Enhancement of accountability of State Financial Control institutions and disclosure of the results of the financial examinations, analyses and statistical data to the public.*

Responsible Institutions: Cabinet of Ministers, Chamber of Accounts, Ministry of Finance and Ministry of Taxes

Start Date: 1 January 2013

End Date: 31 December 2014

6.3. *Use of Information Technologies in State Financial Control: Application of the information technologies in the state financial control and building the e-control system.*

Responsible Institutions: Cabinet of Ministers, Chamber of Accounts, Ministry of Finance and Ministry of Taxes

Start Date: 1 January 2013

End Date: 31 December 2014

6.4. *State Financial Control Databases: Organisation of the mutual activity between state financial control (SFC) institutions, establishment of the SFC Central Database, development of the electronic data-exchange.*

Responsible Institutions: Cabinet of Ministers, Chamber of Accounts, Ministry of Finance and Ministry of Taxes

Start Date: 1 January 2013

End Date: 31 December 2014

6.5. *Disclosure of Financial Reports: Improvement of the mechanism of control over the publication of the financial reports, drawn by the state institutions in accordance with the International Standards of Financial Reporting or National Accounting Standards, along with the auditor's report.*

Responsible Institutions: Cabinet of Ministers, Chamber of Accounts, Ministry of Finance

Start Date: 1 January 2013

End Date: 31 December 2014

6.6. *Oversight of Local Budgets: Development of proposals on the mechanism and procedure of oversight over the drafting and execution of local budget, including correspondence of the expenditures to the approved budget indicators, as well as the local municipality financial reports.*

Responsible Institutions: Cabinet of Ministers, Chamber of Accounts, Ministry of Finance

Start Date: 1 January 2013.....

End Date: 31 December 2014

6.7. *Reports on Annual Budget Implementation - Publication of the reports on the implementation of state budget and the relevant legislation drafts prior to referral to Parliament (Milli Meclis) of the Republic of Azerbaijan.*

Responsible Institutions: Cabinet of Ministers, Ministry of Finance

Start Date: 1 January 2013

End Date: 31 December 2015

Commitment Overview	Specificity				OGP Value Relevance				Potential Impact				Completion		Midterm End of Term		Did it Open Government?				
	None	Low	Medium	High	Access to Information	Civic Participation	Public Accountability	Technology & Innovation for Transparency & Accountability	None	Minor	Moderate	Transformative	Not Started	Limited	Substantial	Completed	Worsened	Did Not Change	Marginal	Major	
6.1. Legal and Institutional Framework for State Financial Control			✓				✓				✓			✓				✓			
6.2. Accountability and Transparency of State Financial Institutions			✓				✓				✓			✓					✓		
6.3. Use of Information Technologies in State Financial Control			✓		Unclear						✓			✓				✓			
6.4. State Financial Control Databases		✓			Unclear						✓			✓				✓			
6.5. Disclosure of Financial Reports			✓				✓				✓			✓				✓			
6.6. Oversight of Local Budgets		✓			Unclear						✓			✓				✓			
6.7. Reports on Annual Budget Implementation			✓		✓						✓				✓				✓		

Commitment Aim

In Azerbaijan, financial transparency has needed improvement. At the start of the commitment period, in the 2012 Open Budget Index (OBI), Azerbaijan scored 42 out of 100.¹ According to the OBI report, the government of Azerbaijan had the potential to greatly expand budget transparency by introducing several short-term and medium-term measures.

Azerbaijan's score indicates that the government provides the public with only some information on the national government's budget and financial activities during the budget year. This makes it challenging for citizens to hold the government accountable for its management of the public's money.² Within the region, Azerbaijan was the weakest performer in 2012 in areas of budget oversight and engagement.

Commitments under this thematic cluster aimed to clarify the legal mandate of state financial control institutions, improve the publication of budgetary information and financial statements, and increase the usage of information technologies in performing state financial oversight.

Status

Midterm

Commitment 6.1 - Limited: This commitment contains two elements: clarifying the responsibilities for every state agency involved in state financial control and adopting a separate law on financial oversight.

At the one-year mark, the government had not yet delineated powers of financial control (i.e. the Chamber of Accounts, Ministry of Finance, and Ministry of Taxes). Separately, a draft of legislation on financial oversight was in progress. In the absence of enabling legislation, the Ministry of Finance had prepared and adopted new regulations on the State Financial Control Service.

Commitment 6.2- Limited: In the government self-assessment report, this commitment was considered to have two parts: improving accountability through legislative changes and disclosing financial reports. Draft legislation was prepared but had not passed into law at the time of the midterm self-assessment. This commitment also aims to provide greater disclosure of the results of financial monitoring (and related statistical data) by State Financial Control Institutions. Measures had been taken related to disclosing analyses and statistical data to the public. For example, the "Execution of the State Budget in 2012 of the Republic of Azerbaijan" and the review of the Chamber of Accounts on state budget execution were uploaded to the agency's website (<http://ach.gov.az>) in May and June 2013. The external audit conducted among the state agencies by the Chamber of Accounts in the first half of 2013 was also placed online on the agency's website. The Ministry of Taxes regularly updated information about tax evasion facts, tax control inspections, and tax collections on its web page. The Ministry of Finance regularly updated the websites of State Insurance Control Service.

Commitment 6.3- Limited: An electronic control ("e-control") system has not been established, but some technical preparation has been carried out. The State Financial Control Service within the Ministry of Finance had started to benefit from use of advanced software systems. The Ministry of Taxes uses technology in its tax inspections. However, there is no public information about information technology applications and e-control mechanisms in the Chamber of Accounts.

Commitment 6.4- Limited: According to an official letter from the Ministry of Finance on 7 August 2013, the formulation of a single electronic database for financial supervision institutions was under way at the time of the midterm review.

Commitment 6.5- Limited: This commitment aimed to improve the oversight mechanism for disclosing state institutions' and state-owned enterprises' financial statements. During the second half of 2012 and the first half of 2013, the government carried out preparatory work to improve the oversight mechanism for the publication of financial reports. In September 2012, the Cabinet of Ministers decided to grant the Ministry of Finance control over publication of annual financial reports of state bodies with auditor review.³

Commitment 6.6- Limited: The 2013 Ministry of Justice report on administrative oversight of municipalities included proposals for amendments to local legislation.⁴ There was no publicly available information on any public consultation on proposals on local budget drafting, execution, and oversight.

Commitment 6.7- Substantial: Reports on the budget implementation for the previous year and draft budget laws for the next fiscal year are being published for submission to the Parliament (Milli Meclis). The Ministry of Finance actively updates its website (<http://maliyye.gov.az/>) and uploads quarterly and annual reports on the implementation of the state budget.

End of term

Commitment 6.1 - Limited: The government's self-assessment reports that a Financial Markets Supervision Chamber was founded to promote well-functioning regulation in the financial sector.⁵ This new chamber would fulfill the first element of this commitment, clarifying the responsibilities of state agencies over financial control. However, this chamber was founded in February 2016, outside of the implementation period for this action plan. At the end of the implementation period in December 2015, the only steps taken toward completion of this commitment were the adoption of new regulations for the State Financial Control Service within the Ministry of Finance. No dedicated law has been passed or draft legislation made public.⁶

Commitment 6.2- Limited: At the end of the action plan, the law on state financial control had not been adopted, according to both CSO monitoring and the government self-assessment report.⁷ The CSO Monitoring Report confirms that state financial control institutions have continued to publish annual reports as in previous years, and findings show that reports have begun to include more detailed information, particularly in the Ministry of Finance and Chamber of Accounts.⁸

Commitment 6.3- Substantial: Under this commitment, the Ministry of Finance has implemented the Information System for Treasury Management (ISTM). Starting from 2014, all direct expenditures in national and foreign currencies are managed through this system.⁹ According to the CSO Monitoring Report, the State Treasury Agency at the Ministry of Finance established the Treasury Information Management Portal. While not reaching full functionality in the implementation period, the management portal allows any state institution to send their scanned documents to the Treasury Agency with e-signatures.¹⁰ The Ministry of Taxes has also undertaken small e-reforms. There is no information regarding e-control mechanisms in the Chamber of Accounts.

Commitment 6.4- Substantial: According to the government self-assessment and CSO Monitoring Report, an information exchange system has been created and is in use for the Ministry of Taxes and the Chamber of Accounts. The Ministry of Finance is developing a database to integrate with this system, but the new programme had yet to be launched at the end of the implementation period.¹¹

Commitment 6.5- Substantial: In 2015, several amendments were adopted to financial laws regarding financial reporting and publication. These amendments came into force January 2016. The amendments to the laws require financial reporting by "all institutions of public importance" to report in accordance with International Financial Reporting Standards (IFRS). The Code of the Azerbaijan Republic on Administrative Violations (adopted in 2000 and amended in 2012) imposes administrative responsibility for state-owned enterprises that do not disclose financial reports. Some state-owned enterprises such as State Oil Company of Azerbaijan Republic (SOCAR), AZERSU, and AZERENERJI publish their annual financial statements together with auditors' reports to comply with IFRS requirements and attract funding. However, some of their subsidiaries and other enterprises such as Azerbaijan Airlines do not publish their financial statements separately.¹² However, there remains no applicable mechanism of control over the publication of financial reports developed by state-owned enterprises.

Commitment 6.6- Complete: The government's self-assessment report states that subsequent amendments have been made to municipality accounting guidelines.¹³ According to the CSO Monitoring Report, the Ministry of Justice released an assessment detailing changes to the law. The Law on the Basics of Municipal Finances and the Law on Accounting have been amended to "include

provisions on financial reporting by municipalities, drafting and execution of local budgets, regulations of subsidies, subventions, and loans to municipalities, and oversight over preparation of reports.”¹⁴ Under the new provisions, local taxes can no longer be paid in cash—they must be paid via banks, postal service, and other non-cash means.

Commitment 6.7- Completed: Both the government self-assessment and CSO Monitoring Report confirm that the 2016 budget was published online in October 2015, prior to the draft legislation’s submission to Parliament.¹⁵

Did it open government?

Commitment 6.1

Public Accountability: Did not change

Overall, the commitment had not led to any development that could contribute to improved public accountability in Azerbaijan. The only measurable outcome at the end of the implementation period was the adoption of new regulations for the State Financial Control Service within the Ministry of Finance. These measures are internal and only affected one institution (the State Financial Control Service) out of the three in the commitment.

Commitment 6.2

Access to Information: Marginal

Public Accountability: Did not change

The continued publication of reports is a positive step for financial transparency in a country where state finances have been opaque. According to the Open Budget Index, in the years from 2012-2015 Azerbaijan has increased the availability of financial information and its score of 51 on the 2015 Open Budget Index is higher, showing improvement from the score of 42 in 2012.¹⁶ While the government improved by publishing a citizen’s budget (plain language finance information written for a general audience), overall the commitment did not lead to the creation of opportunities for improving public accountability. These incremental improvements in financial reporting did not lead to the creation of measures to ensure public oversight of financial control institutions as envisioned by this commitment. The legislature in Azerbaijan plays a weak role in budget oversight, and consultations with the executive do not take place. Opportunities for the public to engage in budgetary processes are highly limited.¹⁷

Commitment 6.3

Access to Information: Did not change

Civic Participation: Did not change

Public Accountability: Did not change

This commitment could be important for strengthening state financial control. However, it contains no public facing elements and is not relevant to OGP values. The reforms undertaken do not involve any measures such as citizen engagement in financial control or civil society collaboration in their implementation. Therefore, such reforms are more focused on improvement of internal systems and do not contribute to making government more open.

Commitment 6.4

Access to Information: Did not change

Civic Participation: Did not change

Public Accountability: Did not change

This commitment covers relations between financial supervision bodies and does not entail any elements of accountability, participation, or transparency to the broader public. While the undertaken improvements contribute to better functioning of financial control institutions, they do not provide opportunities for government transparency, citizen participation, or holding public officials accountable.

Commitment 6.5

Public Accountability: Did not change

In Azerbaijan, state-owned enterprises control a significant portion of the national economy. Improvement of the oversight mechanisms for the publication of financial reports developed by state

institutions would be a significant step forward for Azerbaijan, given the high level of state involvement in the economy. However, this commitment failed to change any existing reporting oversight practices. Several major state-owned enterprises continue to publish their own financial reports, but the mechanism to monitor and audit the information provided has not taken shape. There are several amendments to existing laws regulating publication, reporting durations, and submission of consolidated financial and annual financial reports of commercial organisations that came into force by January 2016.¹⁸ However, there is no consolidated financial data publicly available yet.

Commitment 6.6

Access to Information: Did not change

Civic Participation: Did not change

Public Accountability: Did not change

Municipalities are not powerful or influential institutions in Azerbaijan. Their financial bases are weak, and they do not control the majority of local finances. Transparency and accountability in local budgeting processes are also a considerable challenge.¹⁹ This commitment meant to improve the oversight on drafting and executing the budget, but did not clearly indicate any mechanisms for public disclosure of information or public involvement in the budgetary process. Therefore, its relevance to OGP values is unclear.

The legal changes carried out under this commitment have the potential to increase the accountability of local government spending. However, the open government potential of this commitment is reduced by the fact that there is no citizen involvement in the oversight process. While the commitment has led to legal changes, so far there is no evidence of changes in practice or indications of measures to ensure implementation of the new rules. Therefore, the commitment did not have clear relevance to opening government.

Commitment 6.7

Access to Information: Marginal

Fiscal transparency has remained a potential area of growth for Azerbaijan, and this commitment marginally contributed to improving access to budgetary information. Publishing the budget early for public dissemination is an important step for open government in Azerbaijan, where fiscal transparency is low. While the 2016 budget was published online in late 2015, prior to referral to Parliament according to an assessment by the International Budget Partnership (IBP), the content of budget reports in Azerbaijan provides the public with limited information, and the government is weak in providing citizens with opportunities to engage in the budgetary process. Legislative oversight of the budget is also weak, and the oversight by the Supreme Audit Institution is limited.²⁰ Stakeholders also report that despite this minor improvement the budget process remains largely opaque, with the Parliament discussing the issue very briefly and rarely making amendments to the executive-proposed document.²¹ IBP recommendations to address this issue include: increasing the comprehensiveness of the year-end report, establishing credible mechanisms for collecting public perspectives on budget matters, and organizing legislative hearings from budget-specific ministries and other government agencies.²²

Carried forward?

Two commitments out of seven were carried forward to the next national action plan (NAP), 6.2 and 6.7. Commitment 6.2, Accountability and Transparency of State Financial Control Institutions has been broken up into two separate commitments, the first (5.3) requiring annual report disclosure from the Chamber of Accounts, while the second (5.4) requires the same from the Ministry of Finance. The next NAP contains a single theme on financial transparency comprised of seven commitments.

¹ Open Budget Survey 2012, Azerbaijan Country Summary. <http://www.internationalbudget.org/wp-content/uploads/OBI2012-AzerbaijanCS-English.pdf>

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- ² Open Budget Survey 2012, Azerbaijan Country Summary. <http://www.internationalbudget.org/wp-content/uploads/OBI2012-AzerbaijanCS-English.pdf>
- ³ “Government Midterm Self-Assessment Report,” Commission on Combatting Corruption of the Republic of Azerbaijan, 2016, <http://bit.ly/2cZ5vxB>
- ⁴ “Monitoring Report (Midterm) on the implementation of the Open Government Initiative National Action Plan for 2012-2015,” Reporting Period September 2013 – December 2014, Transparency International Azerbaijan, May 2016, <http://bit.ly/2dbWHUI>
- ⁵ “Government End of Term Self-Assessment Report,” Commission on Combatting Corruption of the Republic of Azerbaijan, 2016, <http://bit.ly/2cZ5vxB>
- ⁶ “Monitoring Report on the implementation of the Open Government Initiative National Action Plan for 2012-2015,” January – December 2015 reporting period, Transparency International Azerbaijan, May 2016, <http://bit.ly/2dbWHUI>
- ⁷ “Monitoring Report on the implementation of the Open Government Initiative National Action Plan for 2012-2015,” January – December 2015 reporting period, Transparency International Azerbaijan, May 2016, <http://bit.ly/2dbWHUI> and “Government End of Term Self-Assessment Report,” Commission on Combatting Corruption of the Republic of Azerbaijan, 2016, <http://bit.ly/2cZ5vxB>
- ⁸ Ibid.
- ⁹ “Government End of Term Self-Assessment Report,” Commission on Combatting Corruption of the Republic of Azerbaijan, 2016, <http://bit.ly/2cZ5vxB>
- ¹⁰ “Monitoring Report (End of Term) on the implementation of the Open Government Initiative National Action Plan for 2012-2015,” January – December 2015 Reporting Period, Transparency International Azerbaijan, May 2016, <http://bit.ly/2dbWHUI>
- ¹¹ “Government End of Term Self-Assessment Report,” Commission on Combatting Corruption of the Republic of Azerbaijan, 2016, <http://bit.ly/2cZ5vxB>. and „Monitoring Report on the implementation of the Open Government Initiative National Action Plan for 2012-2015,” Transparency International Azerbaijan, May 2016, <http://bit.ly/2dbWHUI>
- ¹² “Monitoring Report (End of Term) on the implementation of the Open Government Initiative National Action Plan for 2012-2015,” January – December 2015 Reporting Period, Transparency International Azerbaijan, May 2016, <http://bit.ly/2dbWHUI>
- ¹³ “Monitoring Report (End of Term) on the implementation of the Open Government Initiative National Action Plan for 2012-2015,” Reporting Period January – December 2015, Transparency International Azerbaijan, May 2016 http://transparency.az/alac/files/OGP_report_2016_FINAL_EN.pdf
- ¹⁴ Ibid.
- ¹⁵ “Government End of Term Self-Assessment Report,” Commission on Combatting Corruption of the Republic of Azerbaijan, 2016, <http://bit.ly/2cZ5vxB>, “Monitoring Report on the implementation of the Open Government Initiative National Action Plan for 2012-2015,” Transparency International Azerbaijan, Reporting period January- December 2015, May 2016, <http://bit.ly/2dbWHUI>
- ¹⁶ Open Budget Survey 2015 Azerbaijan http://www.budget.az/upload/files/OBS_2015-CS-Azerbaijan-English.pdf
- ¹⁷ Ibid.
- ¹⁸ <http://sai.gov.az/upload/files/h2014.pdf>
- ¹⁹ Council of Europe Report: “Study Mapping the Obstacles to Intermunicipal Co-operation in Azerbaijan,” by Vusal Mirzayev, October 09, 2015, http://www.coe.int/t/dgap/localdemocracy/Centre_Expertise/IMC/Study-azeri_en.pdf
- ²⁰ International Budget Partnership Report on Azerbaijan, 2015 <http://www.internationalbudget.org/opening-budgets/open-budget-initiative/open-budget-survey/country-info/?country=az>
- ²¹ Rena Safaraliev (Transparency International Azerbaijan), survey administered by IRM researcher, 18 August 2016
- ²² Inter Open Budget Survey 2012, Azerbaijan Country Summary. <http://www.internationalbudget.org/wp-content/uploads/OBI2012-AzerbaijanCS-English.pdf>

Theme 7: Transparency of Tax Control and Examination

7.1. Access to Necessary Information for Taxpayers: Provision of necessary information to taxpayers and to improve awareness-raising activities towards taxpayers.

Responsible Institutions: Cabinet of Ministers, Ministry of Finance

Start Date: 1 January 2013

End Date: 31 December 2015

7.2. Tax Transparency: Execution of measures in order to adjust the activity of the tax institutions with the [International Monetary Fund (IMF)] Code of Best Practice on Tax Transparency.

Responsible Institution: Ministry of Taxes

Start Date: 1 January 2013

End Date: 31 December 2015

7.3. Electronic Payment of Taxes: Execution of measures in order to improve electronic payment of taxes and other mandatory payments.

Responsible Institution: Ministry of Taxes

Start Date: September 2012.....

End Date: 31 December 2013

Commitment Overview	Specificity				OGP Value Relevance				Potential Impact				Completion		Midterm	Did it Open Government?					
	None	Low	Medium	High	Access to Information	Civic Participation	Public Accountability	Technology & Innovation for Transparency & Accountability	None	Minor	Moderate	Transformative	Not started	Limited	Substantial	Completed	Worsened	Did not change	Marginal	Major	Outstanding
7.1. Access to Necessary Information for Taxpayers		✓			✓	✓	✓		✓						✓				✓		
7.2. Tax Transparency			✓		✓		✓				✓			✓				✓			
7.3. Electronic Payment of Taxes		✓			Unclear				✓					✓		✓		✓			

Commitment Aim

Commitments under this theme focus on improving citizens' awareness of tax structures and their ability to easily make payments. This theme contained three commitments: providing information to taxpayers (7.1), improving the work of tax institutions in line with International Monetary Fund (IMF) standards (7.2), and allowing citizens to pay taxes electronically through a government portal (7.3).

Prior to the commitment period, the tax administration was undergoing a number of structural changes. Improving efficiency and customer service was a focus for modernizing tax practices.¹

These changes were seen as vital to improving the investment environment in Azerbaijan but have low relevance to OGP values.

Status

Midterm

Commitment 7.1 - Completed: This commitment seeks to provide necessary information to taxpayers about online payment systems, new tax rates, electronic tax invoices, online registration, and relevant documentation. Throughout the implementation period, the Ministry of Taxes raised taxpayer awareness through its interactive website (<http://informasiya.org>). The government self-assessment notes that in the reporting year, 3.2 million citizens visited the official website of the Ministry of Taxes. In the same period, 1,414 questions were answered on the official website in the Question-Answer section.

A Frequently Asked Question (FAQ) list was created. In addition, the “195 call centre” responded to 250,000 requests by citizens over the implementation period.² It is unclear how this figure compares with previous years. The Ministry published 14 booklets on taxes in 2014. According to the CSO Monitoring Report, the Ministry of Taxes undertook several further public relations campaigns to raise awareness of new processes.³

Commitment 7.2- Limited: Adoption of the IMF’s Code on Best Practice on Tax Transparency is important for Azerbaijan to increase fiscal transparency. The Ministry of Taxes had initial discussions with the IMF’s representatives on a few relevant international documents, including the Code of Best Practice on Tax (Fiscal) Transparency and the Code of Fiscal Transparency, Accountability, and Risk. The Code “identifies a set of principles and practices to help governments provide a clear picture of the structure and finances of government.”⁴

Commitment 7.3- Limited: This commitment is already covered within commitment 5.4 Improvement of Electronic Payments. Prior to the start of the new action plan, the Ministry of Taxes activated an internet payment system for some taxes and duties in April 2012. However, this was several months before the OGP national action plan implementation period began in July of 2012. During the commitment period, government started introducing several new forms of electronic payments. However, at the midterm, not all agencies had completed reforms.

End of term

Commitment 7.2 Limited: According to the government’s self-assessment report, a proposal was submitted to the Cabinet of Ministers to bring Azerbaijan’s tax operation in line with the International Monetary Fund Code of Good Practices on Fiscal Transparency. However, the IRM was not able to find publicly available evidence of progress in the implementation of measures to align current tax codes with IMF standards as described in the commitment language. The government self-assessment report does not specify any activities that took place beyond submitting a policy proposal; therefore, this commitment has not yet been implemented.

Commitment 7.3- Complete: During the assessment period, the Azerbaijani government implemented several new forms of e-payment. These include new features in the government payment portal (<https://gpp.az/en>), where citizens can submit budget, municipal, utility, communication, education, and insurance payments electronically. Moreover, late payment penalty fees can now be submitted online at <https://www.asanpay.az/payment/penalty>. The government self-assessment also lists new methods of paying value-added tax (VAT) obligations as falling under this commitment.⁵ As a result of these efforts, the CSO Monitoring Report states that during the assessment period, electronic payments totaling 154.4 million AZN (~90.85 million dollars) were made to the state budget via the updated system.⁶ An IRM review found that the government payment portal website has an interactive feature in which users can enter the dates and view payment figures and increases in online payments.⁷

Did it open government?

Commitment 7.1

Access to Information: Marginal

Civic Participation: Did not change

Public Accountability: Did not change

During the commitment period, the Ministry of Taxes took steps to raise taxpayer awareness through a variety of means, including its interactive website, corresponding 195 call service,⁸ international conferences, and taxpayer education materials.⁹ Therefore, this commitment resulted in a marginal improvement for access to information by improving the ease of finding necessary information relevant to taxpayers. The commitment did not result in mechanisms for citizens to provide feedback or for mechanisms to hold officials accountable, and therefore civic participation and public accountability did not change.

Commitment 7.2

Access to Information: Did not change

Public Accountability: Did not change

This commitment represents a novel step forward in tax administration in Azerbaijan. However, the IRM cannot substantiate any evidence of changes in practice resulting from this commitment. Neither the CSO Monitoring Report nor the government self-assessment report provide specific information or examples of changes resulting from the proposal to harmonize tax administration with IMF standards of practice for fiscal transparency. Given the limited completion and the fact that implementation has not started, this commitment did not change the status quo of tax transparency in Azerbaijan.

Commitment 7.3

Access to Information: Did not change

Civic Participation: Did not change

Public Accountability: Did not change

This commitment represents a step forward for e-government in Azerbaijan. Based on the measurable changes in government practice, improving electronic payment of taxes and other mandatory payments is not part of broad open government definition and has little added value in making the government more open, according to OGP criteria.

Carried forward?

Out of the three commitments, one (7.3) was carried forward. The next action plan includes continued focus on electronic payments for local taxes.

¹ Intra-European Organization of Tax Administrations, „Reforms in the tax system of the Republic of Azerbaijan,” 28 July 2016, <https://www.iota-tax.org/news/reforms-tax-system-republic-azerbaijan>

² “Government End of Term Self-Assessment,” Anti-Corruption Commission of Azerbaijan, 2016, http://www.opengovpartnership.org/sites/default/files/AZ_SelfAssess_2014.pdf

³ “Monitoring Report on the Implementation of the Open Government Initiative National Action Plan for 2012-2015,” reporting period January-December 2015. Transparency International Azerbaijan, May 2016, http://transparency.az/alac/files/OGP_report_2016_FINAL_EN.pdf

⁴ “Code of Good Practices on Fiscal Transparency (2007),” International Monetary Fund, <http://www.imf.org/external/np/fad/trans>

⁵ “Government Self-Assessment,” Anti-Corruption Commission of Azerbaijan, 2016, <http://commission-anticorruption.gov.az/view.php?lang=en&menu=49>

⁶ “Monitoring (End of Term) Report on the Implementation of the Open Government Initiative National Action Plan for 2012-2015,” Transparency International Azerbaijan, May 2016, http://transparency.az/alac/files/OGP_report_2016_FINAL_EN.pdf

⁷ <https://gpp.az/en/site/fincount> accessed on 08 November 2016.

⁸ “Government End of Term Self-Assessment,” Anti-Corruption Commission of Azerbaijan, 2016, http://www.opengovpartnership.org/sites/default/files/AZ_SelfAssess_2014.pdf

⁹ Official Ministry of Taxes of the Republic of Azerbaijan webpage: <http://bit.ly/2qcly2d>

Theme 8: Transparency in Extractive Industries

8.1. Implementation of the Extractive Industries Transparency Initiative: Continuation of cooperation by the Government of the Republic of Azerbaijan with the local and foreign companies engaged in extractive industries, civil society institutions in order to ensure continuing implementation, and development of the Extractive Industries Transparency Initiative (EITI) in Azerbaijan.

Responsible Institution: State Oil Fund of Azerbaijan Republic (SOFAZ)

Start Date: September 2012

End Date: 31 December 2015

8.2. Disclosure of Income from Extractive Industries: Continuation of the disclosure to public of the information on cumulative incomes obtained by the Government of the Republic of Azerbaijan from the extractive industries.

Responsible Institution: State Oil Fund of Azerbaijan Republic (SOFAZ)

Start Date: September 2012.....

End Date: 31 December 2015

8.3. Disclosure of Annual EITI Reports: Disclosure of the annual reports of the implementation of the Extractive Industry Transparency Initiative (EITI) in Azerbaijan.

Responsible Institution: State Oil Fund of Azerbaijan Republic (SOFAZ)

Start Date: September 2012

End Date: 31 December 2015

Commitment Overview	Specificity				OGP Value Relevance				Potential Impact				Completion		Midterm		Did it Open Government?			
	None	Low	Medium	High	Access to Information	Civic Participation	Public Accountability	Technology & Innovation for Transparency & Accountability	None	Minor	Moderate	Transformative	Not Started	Limited	Substantial	Completed	Worsened	Did Not Change	Marginal	Major
8.1. Implementation of Extractive Industry Transparency Initiative			✓		✓	✓	✓		✓							✓		✓		
8.2. Disclosure of Income from Extractive Industries			✓		✓				✓							✓		✓		
8.3. Disclosure of Annual EITI Reports			✓		✓				✓							✓		✓		

Commitment Aim

Extractive industries play a key role in Azerbaijan's economy, accounting for 34.6 percent of GDP according to the 2014 Extractive Industries Transparency Initiative (EITI) report.¹ Commitments in this theme aimed to implement the pre-existing EITI initiative to continue disclosing income from extractive industries in line with EITI requirements. Azerbaijan published its first EITI report in 2003 and became a candidate country in 2008. It was fully compliant with the EITI Standard by 2009.² The EITI Standard requires countries and companies to disclose information to the public on governance of oil, gas, and mining revenue. Azerbaijan established a multi-stakeholder group in 2010, in accordance with EITI requirements.³ EITI has provided a platform for dialogue between government, civil society, and extractive companies operating in Azerbaijan. Involvement and active participation of civil society is a central part of EITI requirements. While Azerbaijan was EITI-compliant throughout the implementation period, in April 2015, Azerbaijan's status within EITI was downgraded from a 'compliant' to 'candidate' country due to EITI's "deep concern for the ability of civil society to engage critically in the EITI process in Azerbaijan."⁴ Azerbaijan left EITI in March 2017.

Status

Midterm

Commitment 8.1- Complete: During the midterm period, the State Oil Fund of the Republic of Azerbaijan (SOFAZ) continued implementing EITI standards in Azerbaijan. The government carried out four joint multi-stakeholder meetings during 2013. Furthermore, co-operation between the government and extractive companies under the EITI framework was expanding, increasing the number of private companies that publish revenues under the initiative.

Commitment 8.2- Complete: This commitment was already covered in commitment 8.3, which required disclosing EITI reports on extractive industry revenue. This commitment sought to continue publishing EITI reports on revenue and spending in the extractive sector. On 10 June 2013, Azerbaijan published its 17th Extractive Industries Transparency Initiative report for 2012.⁵ The government report and independent assessments of the contents have been posted on the websites of the State Oil Fund of Azerbaijan (www.oilfund.az) and the EITI Secretariat (www.eiti.org).⁶

Commitment 8.3- Complete: The government continued its compliance with EITI publication standards. Each year up to and including 2014, Azerbaijan published annual EITI reports.⁷ Therefore, this commitment is coded as complete. However, it is important to note that in April 2015, Azerbaijan's status within EITI was downgraded from a 'compliant' to 'candidate' country. This downgrade resulted not from a deviation from EITI procedural implementation by SOFAZ or the government of Azerbaijan, but instead from EITI's "deep concern for the ability of civil society to engage critically in the EITI process in Azerbaijan."⁸ Meaningful civil society inclusion is a central pillar of EITI standards. In March 2017, Azerbaijan left EITI.

End of term

All commitments were completed at the midterm.

Did it open government?

Commitment 8.1

Access to Information: Did not change

Civic Participation: Did not change

Public Accountability: Did not change

Azerbaijan's extractive sector is mired in corruption and opaque contracting; therefore, great importance was attached to becoming an EITI-compliant country.⁹ Prior to this commitment, the Azerbaijani government had already committed "to work with civil society and companies, and establish a multi-stakeholder group to oversee the implementation of the EITI," according to EITI standards. According to the EITI Implementation Report 2013, SOFAZ actively cooperated with civil society organisations and companies in the EITI Multi-Stakeholder Group (established in 2010) and has been responsive to all information requests from civil society organisations. Thus, including this commitment in the OGP national action plan has not changed the status quo on EITI implementation in Azerbaijan.¹⁰

It is necessary to note that in April 2015 Azerbaijan's status within EITI was downgraded from a 'compliant' to 'candidate' country. This downgrade resulted not from a deviation from EITI procedural implementation by SOFAZ or the government of Azerbaijan, but instead from EITI's "deep concern for the ability of civil society to engage critically in the EITI process in Azerbaijan."¹¹ Meaningful civil society inclusion is a central pillar of EITI standards. In March 2017, Azerbaijan left EITI. For full details, see box two following the executive summary of this report.

Commitment 8.2

Access to Information: Did not change

Since 2003, Azerbaijan has annually published reports on profits from extractive industries. This commitment represents a continuation, but no change, in government practice. EITI requirements include deadlines for submitting reports and outlining required content of the reports, including continued disclosure of government income derived from extractive industries.¹² Since the State Oil Fund (<http://oilfund.az/>), Ministry of Finance (<http://www.maliyye.gov.az/>), and Ministry of Taxes (<http://www.taxes.gov.az/>) already publish information on cumulative incomes obtained by the government of the Republic of Azerbaijan from the extractive industries in order to comply with EITI. This commitment did not lead to a stretch the existing government disclosure practices.

Commitment 8.3

Access to Information: Did not change

This commitment is somewhat redundant with the previous commitment. SOFAZ already publishes EITI implementation reports on a regular basis.¹³ Therefore, this commitment did not change the openness of government in Azerbaijan. For more detailed assessment, see commitment 8.2 analysis.

Carried forward?

The commitment to implement EITI (Commitment 8.1) was carried forward with little change. In addition to the current objectives, the government has committed to conduct EITI trainings. The commitment in the second action plan does not address the concerns of the EITI board to create a more enabling environment for civil society.

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¹ Extractive Industry Transparency Initiative EITI, Azerbaijan cover page, https://eiti.org/implementing_country/35#news-blogs-and-more- accessed 8 November 2016.

² Ibid.

³ Ibid.

⁴ "Azerbaijan Downgraded to Candidate Country," EITI Secretariat blogpost, 15 April 2015, <https://eiti.org/node/4438>

⁵ "Azerbaijan Discloses 17th EITI Report," news archive, State Oil Fund of the Republic of Azerbaijan, 10 June 2013, <http://bit.ly/1eY9vH9>

⁶ "EITI Report reveals who buys Azeri crude," EITI Secretariate blogpost, 9 May 2016, <https://eiti.org/node/4501>

⁷ "EITI Report Archive," EITI Secretariate, <http://www.eiti.az/index.php/en/reports>

⁸ "Azerbaijan Downgraded to Candidate Country," EITI Secretariat blogpost, 15 April 2015, <https://eiti.org/node/4438>

⁹ Mystery Figure Behind Azerbaijan's State Oil Company Revealed, Global Witness, 6, December 2013, <https://www.globalwitness.org/en/archive/mystery-figure-behind-azerbajians-state-oil-company-revealed/>

¹⁰ "EITI 2013 Azerbaijan Publication," EITI Secretariat, 2013, <http://www.eiti.az/index.php/en/>

¹¹ "Azerbaijan Downgraded to Candidate Country," EITI Secretariat blogpost, 15 April 2015, <https://eiti.org/node/4438>

¹² "The EITI Standard," EITI Secretariat, 23 May 2013, <https://eiti.org/document/standard-2013>

¹³ "EITI Report Archive," EITI Secretariate, <http://www.eiti.az/index.php/en/reports>

Theme 9. Awareness-Raising and Co-operation in the Field of Open Government

9.1. Disclosure of the Evaluation of OGP National Action Plan: Evaluation of implementation of the Action Plan and disclosure to the public of its results on an annual basis.

Responsible Institution: Commission on Combatting Corruption

Start Date: September 2012

End Date: 31 December 2015

9.2. Dissemination of Educational Material on OGP: Publication and dissemination among the public of the educational material on Open Government Initiative.

Responsible Institutions: Commission on Combating Corruption, Cabinet of Ministers, central and local executive authorities

Start Date: September 2012

End Date: Not Specified

9.3. Continued Implementation of OGP Commitments: Continuation of measures within the framework of implementation of commitments under Open Government Partnership.

Responsible Institutions: Commission on Combating Corruption, Cabinet of Ministers, central and local executive authorities,

Start Date: September 2012

End Date: Not Specified

9.4. Financial Support to Civil Society for Open Government Initiatives: Provision of the financial support to the civil society institutions for the implementation of the measures foreseen in the National Action Plan.

Responsible Institutions: Cabinet of Ministers, central and local executive authorities, Council for the State Support of the NGOs with the President of the Republic of Azerbaijan and Commission on Combating Corruption

Start Date: September 2012

End Date: 31 December 2015

Commitment Overview	Specificity				OGP Value Relevance				Potential Impact				Completion		Midterm	Did it Open Government?					
	None	Low	Medium	High	Access to Information	Civic Participation	Public Accountability	Technology & Innovation for Transparency & Accountability	None	Minor	Moderate	Transformative	Not Started	Limited	Substantial	Completed	Worsened	Did Not Change	Marginal	Major	
9.1. Disclosure of the Evaluation of OGP National Action Plan			✓											✓				✓			
			✓		✓						✓			✓				✓			

End of term

Commitment 9.1 - Complete: The government's self-assessment report states that all relevant government agencies "present annual reports to the Cabinet of Ministers of the Republic of Azerbaijan and the Commission on the status of measures envisioned in the Action Plan. The Commission publicized the information on the Status of the Action Plan for 2015."²

Commitment 9.2- Limited: According to the government's self-assessment report, 85 percent of the governmental agencies fulfilled the requirements of this commitment.³ Stakeholders pointed out that educational materials included information on state programmes and were published online but were not mass-printed and disseminated for citizens lacking internet access. In addition, the CSO Monitoring Report cites that of the 45 local executive authorities assessed, most did not publish open government information.⁴ Central executive authorities achieved higher rates of compliance, but there is no information available regarding how often citizens utilized these materials or how the agencies presented them to the public. There is also no clear information in either the government self assessment or CSO reports to indicate whether educational materials discussed commitments in the national action plan, or government programmes unrelated to OGP, resulting in limited completion.

Commitment 9.3- Unclear: The government published two reports, a midterm and end of term assessment, detailing implementation activities.⁵ Completing self-assessment reports also represents an OGP requirement for participating countries.

Commitment 9.4- Limited: According to the government's self-assessment report, nine ministries, including the Ministry of Youth and Sport, Commission on Combating Corruption, and the Council, provided financial aid to civil society institutions to support open government.⁶ Civil society monitoring also acknowledged that financial support was provided to some civil society institutions implementing the OGP national action plan and that all grants were channeled through the Council of State Support to NGOs.⁷ However, neither the government nor monitoring CSOs provided any information on which organisations received funding or the amounts distributed. CSOs reported that the council awarded only a few, relatively small grants to support open government activities,⁸ but again did not specify which groups received funding or in what amount. The IRM conducted a review of government websites and civil society organisations' websites and was not able to find any public information on grant recipients, grant amounts, uses of civil society funding, or results of the projects.⁹

Did it open government?

Commitment 9.1

Public Accountability: Did not change

According to the OGP rules, participating governments are to produce annual self-assessment reports evaluating the completion level of OGP commitments in their action plans. It would be advisable for government to disclose implementation reports as a tool to monitor progress on meeting its commitments, rather than making disclosure a commitment itself. Therefore, the IRM researcher has assessed this commitment as not changing the status of open government in Azerbaijan.

Commitment 9.2

Access to Information: Did not change

Overall, the commitment did not change status quo regarding citizen knowledge about OGP in Azerbaijan. As evidenced by the mixed implementation picture put forward by government and stakeholder monitoring, the final effectiveness of this educational drive remains unclear. The CSO Monitoring Report found that on page 429, "report on the activities of the Cabinet of Ministers of the Republic of Azerbaijan for 2015" the OGP action plan was only discussed four times and "in each case refers to some fragmented details about work done by various state institutions in regards to the implementation of the plan."¹⁰ Based on the information available, it is not clear what kind of educational

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materials were disseminated about open government and which groups were able to access the information.

Commitment 9.3

Public Accountability: Did not change

Based on the commitment text, this commitment has unclear scope and policy aim. Overall, the commitment had no influence on opening government in Azerbaijan.

There have been concerns expressed by civil society organisations about the lack of enabling environment for civil society to participate and influence the OGP process in Azerbaijan.

In March 2015, civil society organisations Publish What You Pay, Civicus and Article 19 issued a joint letter stating that “over the last few years, the climate for civil society in Azerbaijan has deteriorated to the point where it seriously threatens the ability of CSOs to engage effectively in the OGP process. The situation thus raises important concerns about the Azeri government’s commitment to the values and principles expressed in the Open Government Declaration, which it endorsed in 2011 when it joined the OGP. These include a commitment to “protecting the ability of not-for-profit and civil society organisations to operate in ways consistent with our commitment to freedom of expression, association, and opinion.”¹¹

After carrying out an exhaustive review process, the OGP Criteria and Standards subcommittee found that the concerns were valid. On 4 May 2016, the OGP Steering Committee designated Azerbaijan as inactive in OGP, due to unresolved constraints on the operating environment for non-governmental organisations. The decision was taken under OGP’s Policy on Upholding the Values and Principles of OGP, known as the Response Policy.

Commitment 9.4

Civic Participation: Worsened

In the past three years, the government has made a concerted effort to restrict foreign funding for CSOs in Azerbaijan. At the same time, the government claims to have bolstered domestic funding mechanisms for NGOs through the Council of State Support to NGOs. This Council acts as the central agency through which government funds for civil society are distributed. There are clear rules on grant applications and the Council conducts grant competitions for awarding funds to NGOs.

While the Council may have awarded grants, it is unclear what level of independence grantees may exercise after receiving money. Please see the box, “Special note on Civil Society Operation” following the executive summary of this report.

Carried forward?

Three of the commitments from this theme were carried forward to the next action plan.

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¹ . “Government Midterm Self-Assessment Report,” Commission on Combatting Corruption of the Republic of Azerbaijan, 2016, <http://commission-anticorruption.gov.az/view.php?lang=en&menu=49>

² Ibid.

³ Ibid.

⁴ “Monitoring Report on the Implementation of the Open Government Initiative National Action Plan for 2012-2015,” reporting period January – December 2015 Transparency International Azerbaijan, May 2016,

⁵ “Government End of Term Self-Assessment Report,” Commission on Combatting Corruption of the Republic of Azerbaijan, 2016, <http://bit.ly/2cZ5vxB>, and “Government Midterm Self-Assessment Report,” Commission on Combatting Corruption of the Republic of Azerbaijan, 2016,

<http://bit.ly/2rV4Pgs>

⁶ “Government Self-Assessment Report,” Commission on Combatting Corruption of the Republic of Azerbaijan, 2016, <http://bit.ly/2cZ5vxB>

⁷ “Monitoring Report on the Implementation of the Open Government Initiative National Action Plan for 2012-2015,” reporting period January – December 2015 Transparency International Azerbaijan, May 2016,

http://transparency.az/alac/files/OGP_report_2016_FINAL_EN.pdf

⁸ “Stakeholder Survey,” Administered by IRM Researcher, 15 September 2016

⁹ Azərbaycan Respublikasının Prezidenti yanında Qeyri--- Hökumət Təşkilatlarına Dövlət Dəstəyi Şurası, [Azerbaijani]

<http://cssn.gov.az>

“Gənclər koalisiyası Acıq Hökumətin təşviqi ilə bağlı Goygoldə ictimai dinləmə keçirdilər,” Gun, 17 October 2013, [Azerbaijani]

<http://www.gun.az/nesil/86722>

“Acıq Hökumətin Təşviqi” Koalisiyası Şuranın Dəstəyi ilə Şirvan şəhərində və Hacıqabul Rayonunda ictimai Dinləmə Keçirib,” Qhtxeber.az, 6 September 2013, <http://qhtxeber.az/news/a--25765.html>

¹⁰ “Monitoring Report on the Implementation of the Open Government Initiative National Action Plan for 2012-2015,” reporting period January – December 2015 Transparency International Azerbaijan, May 2016,

http://transparency.az/alac/files/OGP_report_2016_FINAL_EN.pdf

¹¹ Article 19, “Azerbaijan: joint letter to the OGP to ensure civil society organisations can participate in and influence action plan” 26 March 2015, <http://bit.ly/2rhLBp0>