Open Government Partnership 1110 Vermont Avenue NW Suite 500/ Open Gov Hub Washington, DC 20005 United States

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Dear Members of OGP Criteria and Standard Subcommittee,

With reference to the Response Policy procedure, the Government of Azerbaijan has always engaged in providing accurate and thorough information to the requests and questions of Open Government Partnership through open dialogue in a constructive and timely manner.

Following recommendations of Criteria and Standard Subcommittee to the Government of Azerbaijan issued on 25 September 2017, the Government of Azerbaijan in close collaboration with OGP Azerbaijan Platform (<u>www.ogp.org.az</u>) has conducted several important public consultations with key stakeholders, implemented adequate measures to further improve the enabling environment for NGOs operating in Azerbaijan.

Implemented measures on 1st Recommendation

Regarding the Recommendation 1.1, during 2017-2018, registration of 237 NGOs is fulfilled within set time limits, and currently there are more than 4289 non-profit organizations operating in Azerbaijan. Following recommendations of OGP Azerbaijan Platform and in order to further simplify procedures regulating the activities of NGOs; new one-stop shop e-service platform has been established. This digital platform includes all NGOs and relevant state bodies including the Ministry of Taxes, the Ministry of Finance, the Ministry of Foreign Affairs, the Ministry of Labor and Social Protection, the Ministry of Youth and Sport, the State Migration Service, the State Committee on Religious Bodies, the State Committee on State Properties, Financial Markets Supervisory Chamber, the State Council on Support to NGOs, the Republic Commission on Support to International Humanitarian Aid. Currently, NGOs can send requests to and review requests of state bodies and can also interact with each other online. Furthermore, NGOs, through the new system, can review (i) their registry information, (ii) changes made to their statute and (iii) information on registry of grants received.

Regarding the Recommendation 1.2, NGOs are not required to register every two years. Whenever the composition or members of board of an NGO is changed according to their Statute, they have to submit the copy of their decision to the relevant authority in order to keep the latest information on current composition of an NGO. And it does not imply that NGOs have to re-register their organization every two year. In practice, "extract" have been issued to every applicant within set time enshrined in the legislation. New one-stop shop eservice platform enables NGOs to amend registration documents through sending their decision in online form and receive extract through the e-platform.

Regarding the Recommendation 1.3, while there have been many cases of administrative violations by NGOs, as a matter of fact the Ministry of Justice have never applied any administrative penalty to NGOs for failing to submit required documents in time.

Instead, the Ministry of Justice has carried out several hundreds of individual consultations with NGOs and fully supported them to fulfill their obligations under national legislation. As a result of these consultations with NGOs, they have submitted all required documents. There have been only two cases where representatives of NGOs were unresponsive to the requests of the Ministry of Justice for one year and failing to submit required information for more than 5 years.

Implemented measures on 2nd Recommendation

Following the application of the amendments to the Decisions of the Cabinet of Ministers on "Grant contracts registration regulations" and "Regulation on the right to give grants by foreign donors in the Republic of Azerbaijan", (i) the deadline period for registration of foreign and local grants increased by two times, (ii) review period of the grant contracts reduced by two times, (iii) number of documents required for registration of grant contracts is reduced, (iv) working days for addressing deficiencies identified in the registration of grants are prolonged by two times, (v) the new institution of service contracts is established and made applicable both to foreign and local grants.

The statistics on the amount of grants registered during 2017 – 2018 are the clear indication of simplified regulations to access funding in Azerbaijan. In 2017, 146.945.369,29 AZN (86 million USD) grant was registered and 42.253.392,80 AZN (24 million USD) of total amount was foreign grants.

It is important to note that the amount of grants registered in 2017 is three times more than those registered in 2015 (51.240.856 AZN in 2015) and 22 million AZN more than in 2016. Only during the first half of 2018, 165.036.286,6 AZN (96 million USD) grant has been registered and of which 39 million USD were foreign grants. Above-mentioned statistics show steady and manifold increase in the amount of grants registered and indicate some concrete results on simplification of regulations for foreign donors to obtain the right to provide grants.

Furthermore, during 2017 – 2018, grant agreements and other contracts have been successfully registered between local NGOs and foreign donors including USAID, US Embassy in Azerbaijan, Japan Embassy in Azerbaijan, UNDP, EU Delegation to Azerbaijan, German Marshall Foundation, European Youth Foundation, Education, Audiovisual and Culture Executive Agency of European Commission, embassies of other foreign countries and etc. . These registered grants are clear examples of successful measures carried out in this sphere.

Financial operations for NGOs have also been simplified and cash withdrawal limitation on bank operations to grants and donations has been extended by three times. Such as according to Article 3.4.7 of Law on "Cashless Settlements", NGOs could only withdraw 5.000 AZN cash from banks and rest of the amount has to be carried out through cashless banking operations in order to ensure transparency and open government principles in the activity of NGOs. This issue caused some restraints on the work of small NGOs. After the recommendation of OGP Azerbaijan Platform, this limit has been increased to 15.000 AZN, which was highly welcomed by an NGO sector.

The activities of OGP Azerbaijan Platform during 2017-2018

During the last year, the Statute of OGP Azerbaijan Platform and Strategic Action Plan of Platform for 2017-2020have been adopted, , and number of OGP Azerbaijan Platform's members reached to 44. Furthermore, OGP Azerbaijan Platform established local-level OGP Platform with the participation of 4 members of the local NGOs, 6 government agencies, 5 local municipalities and 8 community development councils. Local-level Open Government Platform focuses on more effective implementation of Open Government Initiatives in the Regions.

OGP Azerbaijan Platform has become very active in every aspect of social life, conducted several public consultations of key draft laws, and implemented the grant projects funded by foreign and local donors. Therefore, we would like to mention some work done by OGP Azerbaijan Platform:

- The Platform, together with the Eurasia Partnership Foundation, hosted Professor Jeff Sauss's workshop for members of the Platform and journalists. Jeff Sauss was an expert invited from USA. Platform member civil society organizations were informed about legal status of open data in the US, types of data open to the public and their sources, the social and economic benefits that journalists, civil society and businesses can generate through open source data, positive initiatives implemented using open data, information on examples were given.
- Implemented project titled "Open Government Platform in Action" in framework of "Human Rights, Democratization and Promoting Good Governance in Azerbaijan" program of Eurasia Partnership Foundation with the support of the Ministry of Foreign Affairs of the Netherlands
- An Open Government section was created at popular news portal Strateq.az
- Platform prepared comments of Annual Report of Transparency in the Extractive Industry of the Republic of Azerbaijan for 2016.
- Prepared assessment regarding 12 direction of National Action Plan for the Promotion of the Open Government (2016-2018) and provided recommendations.
- Conducted 19 round-tables and 13 "Economic Forum" on Internet TV. The debates were also broadcast on the Public Radio. Representatives of 44 state agencies, 24 foreign organizations, 454 NGOs who are members and non – members of the Open Government Platform and 15 journalists participated in the round-tables.
- Prepared proposals for the development of favorable environment for NGOs, discussed them with participation of representatives of relevant stakeholders.

- Held round-table on "The strategic road-map on Prospects of National Economy of the Republic of Azerbaijan"
- Held public discussion on "Evaluation results of participation of civil society institutions in the discussions of the draft of the state budget in the National Parliament"
- Held public discussions on "The Strategic Road Map on the development of specialized tourism industry in the Republic of Azerbaijan and some recommendations relating to this document" and "Estimation of the level of publication of the annual financial statements of the legal entities and the budgetary organizations owned by the state controlling stock"
- Held public discussions on "An annual report on execution of the state budget and public presentation of relevant opinion of the Chamber of Accounts of the Republic of Azerbaijan", "Informing the public about the financial control measures taken by the Chamber of Accounts at the financial control objects"
- Held public discussion on the results of the research regarding the application of transparency principles standards governed by ASAN service centers in state bodies and made recommendations.
- Held public discussion on the problem of inclusive education in the regions (Mingachevir city) were held within framework of project "Strengthening the Role of Civil Society in Ensuring Socio-Economic Rights of Sensitive Population Groups" funded by the European Union and implemented by the United Nations Development Program
- Held public discussion on the topic "Improvement of irrigation water supply facilities in the regions (Khachmaz region)"
- Held public discussions of the draft law "On the Chamber of Accounts" and "New draft law regulating external public financial control". The discussion were held in an open environment with the participation of deputies of the National Parliament, representatives of civil society institutions, colleagues of the Chamber of Accounts and media.
- Held public discussion on "Transparency and Accountability in the Performance of Customs Authorities" in cooperation with State Customs Committee. Platform experts presented their recommendations on the reforms carried out in different directions in the customs bodies.
- Completed monitoring of the National Activity Plan carried out within the framework of the project titled "Monitoring of the National Activity Plan of Promotion of Open Government in 2016-2018"

Considering (i) accomplished legal and institutional measures for the implementation of OGP Criteria and Standard Subcommittee's recommendations, (ii) efficiency of one-stop shop e-services platform for NGOs, (iii) registration of grants by foreign donors, (iv) manifold increase in the amount of grants to NGOs, (v) registration of hundreds of NGOs during the period of only one year, (vi) the efficient activity of OGP Azerbaijan Platform, (vii) successful implementation of OGP National Action Plan for 2016-2018, we kindly request from OGP Criteria and Standard Subcommittee to restore the status of Azerbaijan to active status.

It should be noted that, despite the decision taken by OGP Criteria and Standard Subcommittee, Azerbaijan will remain committed to the principles of transparency, good governance and open government, and further contribute to OGP measures in any platform and in any level.

OGP Azerbaijan Platform, being a leading dialogue platform between government and civil society in Azerbaijan, will continue its activity and contribute to the implemented reforms in Azerbaijan.

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