

## Support to the anti-corruption strategy of Azerbaijan (AZPAC)

### – project summary –

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CoE project No. 2007/DG1/VC/951

Project title	Support to the Anti-corruption Strategy of Azerbaijan (AZPAC)
Project area	Azerbaijan
Budget	USD 800.000
Funding	United States Agency for International Development (USAID)
Implementation	Council of Europe (Economic Crime Division/Directorate of Cooperation / DG-HL)
Duration	24 months (30 September 2007 – 30 September 2009)

### BACKGROUND AND JUSTIFICATION

In recent years, the government of Azerbaijan undertook a number of important steps in the fight against corruption. The country ratified the Council of Europe's Criminal and Civil Law Conventions against Corruption in 2004, and joined the Council's Group of States against Corruption (GRECO) in June 2004; the United Nations Convention against Corruption (UNCAC) was signed in 2004 and ratified in 2005. In 2004, a State Programme on Combating Corruption was adopted, covering broad directions for measures to be undertaken on legislative and institutional reform for the period of 2004-2006. The 2006 GRECO evaluation report commended the steps undertaken with regard to the introduction of new Anti-corruption Strategy and Actions Plan, and amendments to existing legislation, but at the same time, the report contains a range of recommendations aimed at improving the national anti-corruption legal and institutional framework.

After a significant number of steps undertaken by the government of Azerbaijan to harmonize national legislation with international standards and obligations, it is now important that the on-going legislative and institutional reforms be effectively and efficiently enforced and implemented in practice. This objective should guide the implementation of the new Anti-corruption Strategy and Action Plan for the next years.

Thus, a technical assistance project aiming at contributing to these objectives will serve as one tool for providing and supporting reforms and interventions in the following areas:

- At the strategic level
- At the level of prevention and education
- At the level of repression

### OBJECTIVE, OUTPUTS AND ACTIVITIES

Overall objective	To contribute to democracy and the rule of law through the prevention and control of corruption in Azerbaijan in accordance with European and other international standards and GRECO and MONEYVAL recommendations.
Project objective	To enhance the implementation of GRECO and MONEYVAL recommendations and compliance with European and international anti-corruption standards.

<b>Output 1</b>	<b>Strategic anti-corruption framework improved in line with GRECO recommendations and good practices.</b>
Action 1.1	Introduction of the new Anti-corruption Strategy and its Action Plan <sup>1</sup> .
Action 1.2	Support the Commission on Combating Corruption (CCC) during the GRECO evaluation and compliance reporting.
Action 1.3	Assist the relevant government authorities and institutions on implementing the relevant measures against corruption within the new Anti-corruption Action Plan.
Action 1.4	Develop a template system of guidelines on reporting and monitoring tools from the Commission/Cabinet of Ministers vis-à-vis all relevant institutions.
Action 1.5	Support by advice and share of practice with the AC Commission on drafting and conducting Surveys on AC perception and attitudes. (Law enforcement and general attitude of public surveys).
Action 1.6	Provision of equipment to the CCC and its legislative Working Group.
<b>Output 2</b>	<b>Draft laws/amendments to improve domestic legislation elaborated in cooperation with relevant partner institutions and benchmarking against international standards in the fight against corruption and efficient implementation of the relevant legislative framework.</b>
Action 2.1	Training on Treaty Law implementation at the domestic level with reference to all relevant anti-corruption conventions and instruments.
Action 2.2	Advice and/or RTD to support the elaboration of draft laws with relevant provisions on combating and preventing corruption.
Action 2.3	Review of national legislation on its compliance with the provisions of the CoE Civil Law and Criminal Law Conventions on Corruption and UNCAC.
Action 2.4	Elaboration of a 'compliance matrix' for the domestic legislation and institutional set-up in line with the relevant international legal instruments.
Action 2.5	Elaboration of legislative guidelines and recommendations issued by the 3 <sup>rd</sup> Round GRECO Evaluation Report.
<b>Output 3</b>	<b>Establishment of a network and system to prevent the use of the financial system for money laundering and terrorism financing purposes and enable the authorities of Azerbaijan to cooperate nationally and internationally in fighting money laundering and terrorism financing in accordance with European and international standards.</b>
Action 3.1	In-country multidisciplinary training course(s) for financial intelligence officers, and other relevant cooperating agencies' adjudication of cases of economic crime and in particular of corruption and money laundering.
Action 3.2	In-country training course(s) on the use of special investigative means for all relevant agencies (including national bank officers, members of the new upcoming Financial Investigation Unit (FIU), auditors and tax officials) in light of European and international standards, ECHR case-law when combating economic crime, reporting on corruption, suspicious financial transactions and inter-agency cooperation.
Action 3.3	Training courses for judges related to the economic crime (corruption and money laundering).
Action 3.4	Support to establishment of FIU through delivery of relevant material (standards and best practices) in Azerbaijan language.
Action 3.5	Support the organisational set up of the new FIU by providing guidelines and tools on the organigramme; job descriptions; Manual of operations; Rules of Procedure and elaboration of a training strategy for all FIU officers.
Action 3.6	Study visits for the new FIU staff responsible for international cooperation to 2 FIUs of other European countries to promote the initiation of operational MoUs.
<b>Output 4</b>	<b>Capacities for the prevention of corruption enhanced through micro-system studies and through institutionalizing efficient management of ethics' provisions and conflict of interest in the public service.</b>

<sup>1</sup> Decreed on 27 July 2007

Action 4.1	Support three repeat micro-system studies in order to identify corruption- prone areas, and recommend measures for systemic improvement aimed at preventing corruption and increasing application of efficient rules on ethics and streamlining procedures.
Action 4.2	Introduce Integrity Test to contribute to the prevention of corruption within Tax System.
Action 4.3	Contribute to the continuing legal Education for Judiciary on prevention of corruption within the Judiciary through introduction / training on the concept of Integrity tests in the judiciary as one of the best practices.
Action 4.4	Support the elaboration and implementation of a national strategy (and action plan) with respect to training on ethics and conflict of interest for the civil service.
Action 4.5	Provision of pilot trainings and methodology with relevance to the Ethics, Appraisal and Performance Assessment.
Action 4.6	Elaboration of guidelines for reporting corruption and protection of whistle blowers within the civil service administration.

The project, while taking into account the specific needs of the project area, will also contain a strong element of regional interaction, and facilitate experience exchange and networking among anti-corruption institutions.

## **PARTNERS/BENEFICIARIES**

The main project partner from the Azerbaijan side will be the Commission on Combating Corruption. The Commission will be the body which will liaise with other project partners and beneficiaries. Other project beneficiaries will include: The National Bank; The Ministry of Justice; The Ministry of Tax; and The Civil Service Commission. Other, *indirect* beneficiaries and counterparts will include: The General Prosecutor's Office and the Ministry of Interior.

## **IMPLEMENTATION ARRANGEMENTS**

A project office and team will be established in Baku and composed of a Local Project Officer (LPO) and a Long Term Adviser (LTA). A Project Officer (PO) in Strasbourg will be assigned to oversee the project's implementation and daily follow up of actions and assist the team in Baku. Activities will mainly take place in Baku. Overall administrative project management will be ensured by Economic Crime Division (Anti-corruption and Fraud Unit), Directorate of Cooperation, DG-HL) at the Council of Europe in Strasbourg.

The project activities will be managed and implemented by the Council of Europe in cooperation with the Commission on Combating Corruption. For this purpose, the Commission on Combating Corruption will appoint a senior official to function as the Project Liaison and thus as the main interlocutor for the purposes of this project. The project team will propose a Workplan detailing short-term and long-term international consultants/experts, including the long-term national experts that will be needed for the implementation of project activities. The Council of Europe will ensure the active participation of local professional skills where available, and a suitable mix of European and local experts in the project activities. All local experts are to be independent and free from conflicts of interests.

## **CONTACT**

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