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# **National Strategy on Increasing Transparency and Anti-Corruption**

## **2007-2011**

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With the purpose of strengthening achievements made as a result of economic-social reforms conducted in the Republic of Azerbaijan,

Continuing anti-corruption measures implemented in the area of combating corruption as per the State Program on Combating Corruption for the 2004-2006,

Providing for the functioning of the Government agencies in accordance with contemporary requirements,

Strengthening the public trust in Government agencies, eliminating conditions leading to corruption, and taking preventive measures,

Bringing to justice persons having committed acts of corruption, protection of the rights of persons who suffered from acts of corruption, improvement of the control mechanisms in combating corruption,

With the purpose of strengthening exemplary conduct of the government officials and civil servants in terms of integrity and professional behavior,

Taking into consideration that corruption creates obstacles for economic development, violates principles of human rights, rule of law, equality and social justice,

Noting that increasing transparency in the activities of government agencies is an important precondition for the fight against corruption,

Emphasizing that transparency promotes accountability and responsibility in the government agencies activity, proper management of the state property and facilitates the formation of the culture of anti-corruption,

Recalling the provisions of the laws of the Republic of Azerbaijan, conventions of the United Nations Organization and the Council of Europe as well as provisions of other international documents in the field of combating corruption,

Promoting the importance of the awareness raising measures and cooperation with the civil society institutions in combating corruption,

Taking into consideration importance of international cooperation and supporting the initiatives and efforts made in this area,

The Republic of Azerbaijan once again confirming its political will in fighting corruption adopts this National Strategy on Increasing Transparency and Combating Corruption.

## **I. The objectives and tasks of the National Strategy on Increasing Transparency and Fighting Corruption**

The National Strategy on Increasing Transparency and Fighting Corruption (hereafter “the National Strategy”), being a continuation of the State Program on Anti-corruption for 2004-2006, determines comprehensive, consistent and phase-by-phase, long-term and short-term anti-corruption measures to be carried out within the framework of the democratic state building and socio-economic reforms.

The National Strategy specifies measures aimed at developing anti-corruption legislation, engaging the civil society in closer co-operation, enhancing anti-corruption culture, providing for the functioning of government agencies, law enforcement bodies and the judiciary in line with contemporary requirements, and eliminating factors impeding the economic and social development.

The National Strategy provides for the increasing transparency in the functioning of government agencies as a main pre-condition for fighting corruption. Ensuring the transparency in itself does not aim at elimination of corruption. It has been identified as a key means for fighting corruption.

When transparency is ensured, the public is more aware of decisions to be taken by the state authorities, there are opportunities for public discussions, there is trust in state authorities, and there is increased accountability and responsibility of state authorities. Transparency contributes to the improvement of the functioning of state authorities, more effective analysis and assessment of the functioning of state authorities. Transparency is also a key pre-condition for the development of the economy, a favorable business environment, and attracting foreign investment.

The National Strategy provides for the activities aimed at increasing transparency in decision-making mechanisms and rules, admission to the civil service, revenues and expenditures of the state budget, financing of political parties, government procurements, privatization, the functioning of state authorities and municipalities, and other areas.

The provision of individuals’ free access to information is one of the pre-conditions for ensuring transparency in the functioning of state authorities and local self-governance bodies. The Action Plan for the implementation of the National Strategy for 2007-2011 (hereafter “the Action Plan”) envisages increasing the effectiveness of the legislation on access to information, ensuring citizens access to information on the functioning of the state authorities and municipalities, and working out proposals on establishment of the institution of a Commissioner for the Information.

## **II. Main principles of increasing of transparency and fighting corruption**

### ***1. Rule of law and respect for human and citizen's rights and freedoms***

Measures in the area of combating corruption, as well as duties and authorities of government agencies in this regard are performed as per principles of supremacy of law, respect to human and citizens' rights and freedoms.

### ***2. Provision of access to information***

State authorities, with the exception of information access to which is restricted by the legislation, shall provide the public with the information on their activities. State authorities take necessary measures to enable individuals, the media and civil society institutions to obtain information on the functioning of state authorities.

### ***3. Provision of Accountability***

Accountability aims at increasing the responsibility of state authorities and government officials. The state authorities shall provide the public with periodic reports and other information.

### ***4. Control over the functioning of state authorities***

All state authorities with the purpose of fighting corruption shall carry out effective control over the entities under their supervision.

### ***5. Prevention of Corruption and responsibility for corruption related violations***

Combating of corruption shall not be limited only to the prosecution of the corruption related violations, it must also provide for the identification, analysis and elimination of the circumstances leading to corruption, and take preventive anti-corruption measures.

## **6. Good governance**

In order to perform their duties, discharge their roles and functions state authorities shall take purposeful and effective measures, and have necessary skills and flexibility/promptness.

## **7. Awareness raising and cooperation in combating corruption**

To combat corruption efficiently relevant measures shall be taken with the purpose of raising public awareness, international experience shall be utilized, international initiatives shall be taken part in, there shall be co-operation with various government and non-government organizations, the private sector, the mass media, international organizations and other partners in the area of combating corruption.

## **III. Measures in the National Strategy**

The National Strategy provides four measures in the following areas, which aim for increasing transparency and fighting corruption:

### **1. Improvement of the legislative framework**

To continue activities for the full implementation of the UN Convention against Corruption, the civil law and criminal law conventions of the Council of Europe against corruption, and other international documents which the Republic of Azerbaijan is a part to, into the domestic legislation of the Republic of Azerbaijan.

It is envisaged to work out a number of normative legal acts intended for increasing transparency and fighting corruption, including providing for the corporate criminal liability, prevention of money laundering, prevention of conflict of interests, increasing transparency in financing of political parties, as well as drafting other legal acts specified in the Action Plan.

In order to improve the legislative framework, the anti-corruption expertise of normative legal acts as well as drafts thereof shall be carried out.

With purpose of ensuring transparency in law-making, public discussions of draft laws of importance in terms of fighting corruption shall be organized. The public discussion will enable interested parties to take part in the law-making process, contribute to the development of the legislative framework and increase the effectiveness of the implementation of laws. The activity of civil society institutions in drafting of the pieces of legislation which are of significance for the development of the state and society shall be supported.

In order to ensure transparency in the legislative area, measures shall be taken to improve the single electronic database of legislative acts on the Internet, and updating thereof on a regular basis.

## ***2. The functioning of state authorities and local self-government bodies***

The activities in the area of the functioning of state authorities are designed for the improvement of the functioning of these bodies, advancement of their professionalism and enhancement of accountability and responsibility.

The state authorities shall take measures for defining precise decision-making procedures, and improving the work and rules for consideration of the applications and complaints.

The state authorities as well as local self-government bodies shall issue annual reports intended for conveying the information on their functioning to the public. The reports will include information on admission to civil service and other pertinent issues, budget, activities carried out in the field of review of applications and complaints, increasing transparency and fighting corruption. The Anti-corruption Commission will work out guidelines on the preparation of the anti-corruption reports.

To increase transparency and efficiency, all state authorities and municipalities are thought to finalize their work on the development of web-sites reflecting comprehensive information on their activities, and enable submission of applications and complaints through electronic means.

The conduct of legislative as well as other organizational measures, aimed at more clearly defining the authorities of state agencies, and eliminating duplication in the authorities/competencies of state agencies, will be continued

It is planned to work out and implement a comprehensive anti-corruption action plans within central and local executive authorities as well as municipalities, and carry out specialized researches on anti-corruption issues within governmental and private sectors.

The National Strategy requires improving of civil service, ensuring of more transparent procedures regarding admission to civil service, promotion in civil service, dismissal from the latter, evaluation of the civil servants performance, introducing rotational system into the civil service. According to the Action Plan, institutional mechanisms and rules governing admissions to the civil service shall be improved, and admission to any fields of the civil service, as well as the staff of municipalities shall be conducted in a transparent way and on the basis of competition. Besides, it is planned to carry out measures aimed at promoting the reputation of civil service, implementation of special programs for

supporting/stimulating civil servants, and recruiting specialized and professional staff members.

With the purpose of improving ethical conduct of civil servants and government officials measures will be taken to adopt codes of conduct for different areas, involve civil servants in ethics trainings on regular basis, and raise public awareness on ethical behavior rules.

In order to enhance professional skills of civil servants, it is planned to organize special educational and training programs on issues related to combating corruption

To improve material-technical, social, and financial guarantees for civil servants, it is planned to introduce stage-by-stage increase of the state-funded salaries, and take other necessary measures.

To combat corruption, it is envisaged to strengthen internal control units within state authorities, and enhance their material-technical resources. Opportunities shall be provided to enable individuals apply to those units directly, and for these units to have a more prompt decision-making process. To strengthen relationship with the public, measures are thought to establish hot-lines and a system aimed for taking prompt action on the information received through hot-lines, and inform the public of these hot-lines. It is envisaged to improve the legislation regulating the protection of whistleblowers.

Relevant activities will be implemented to enforce rules on asset disclosure and financial statement by public officials.

In accordance with the UN and the Council of Europe recommendations as well as international practice, measures will be taken to increase the transparency in the political parties expenditures, and for this purpose identify of the monitoring mechanisms, and improve the monitoring of political parties financing.

### ***3. The functioning of specialized anti-corruption institutions, law enforcement bodies and the judiciary***

It is envisaged to improve the functioning of Anti-corruption Commission, its Secretariat and working groups, strengthen their material-technical resources, and provide for additional resources.

Provision of more effective mechanisms for the co-operation between the Anti-Corruption Department under the General Prosecutor's Office of the Republic of Azerbaijan and other law enforcements bodies, generalization/analysis of their work experience, creation of a single database of crimes of corruption will ensure

more swift information exchange between the bodies carrying out criminal prosecution.

Measure will be taken to increase professional knowledge and skills of relevant employees of the Anti-corruption Department and other law-enforcement bodies on the detection, investigation and prosecution of crimes of corruption. The application of operative-search measures aimed at detection of crimes of corruption will be improved.

To achieve effective functioning of specialized anti-corruption bodies, additional measures will be taken to ensure independence of these bodies and their protection from any influence.

The specialized anti-corruption bodies will conduct their activities through co-ordination with the representatives of the public, non-governmental organizations and the private sector. In order to increase public trust in the bodies fighting against corruption, their functioning shall be as transparent as possible.

Providing law enforcement employees with high salaries is one of the major factors in combating corruption. With this purpose a number of measures are thought to continue stage-by-stage increase of the salaries of law-enforcement employees, as well as strengthen their social protection.

To improve the functioning of the courts, it is planned to conduct specialized trainings and education for judges on combating corruption, and promote study of the pertinent international experience. Additional measures will be taken to publish court decisions.

Measures are planned to be taken to improve execution of court decisions. Non-execution of the court decisions must be seen as a violation of the right to judicial protection.

Measures will be worked out to improve the protection of witnesses, as well as persons co-operating with the bodies conducting criminal prosecution in anti-corruption cases.

#### ***4. Measures in economic and social sphere***

The National Strategy intends to adopt legislative acts and take administrative measures in order to establish a financial control, promote investments, privatization, increase transparency in state procurement and auditing processes, as well as for the strengthening of a competition and business environment. Measures on reforms in the areas of licensing and grant of permissions, taxes and customs, education and healthcare constitute an integral part of these measures.

To ensure fair competition, it is envisaged to adopt certain normative legal acts and provide for their effective application and take other necessary measures.

Activities will be carried out to increase transparency in privatization, and advance control over the privatization.

Proposals will be prepared to increase transparency in granting of licenses and permissions, simplify conditions/requirements for granting thereof, and transit to the electronic system of granting licenses and permissions.

Measures are envisaged to prepare relevant legislative acts aimed at providing for fair competition in the field of state procurement, increase the control by financial bodies in this field, restrict participation of persons, who have committed violations of law related to state procurement, in these procurements, and consideration of complaints without delay. In order to promote transparency in state procurements and increase relevant professional skills, measures will be taken to raise public awareness, enhance use of internet resources, carry out electronic state procurements, and organize education and trainings for specialists working in this field.

For the purpose of strengthening the struggle against legalization of revenues obtained from corruption related violations of law, it is planned to improve the domestic legislation of Republic of Azerbaijan in accordance with the UN and the Council of Europe conventions in this field and the recommendations of the Financial Activity Task Force (FATF), and strengthen institutional mechanisms.

It is considered to undertake measures to increase the volume of non-cash payments in transactions among participants of civil circulation, with a purpose to ensure transparency of financial operations and transactions among commercial actors.

Measures for transition to the full application of international audit standards, improvement of internal audit service, and improvement of monitoring systems regarding auditors' activity are planned to be taken with the purpose of advancement of the audit service.

Measures are conducted to strengthen cooperation of audit organizations with the agencies engaged in combating corruption and to raise their responsibilities in struggle against corruption.

For the purpose of improving tax and customs services, measures are aimed at simplification of regulations on tax and customs fees, improvement of the review process of the appeals against the decisions of customs and tax agencies, and simplification of the provision of tax payers with the necessary information.

In order to provide for the transparency and effectiveness of customs procedures, measures are planned to create in customs points special information services advising on relevant normative legal acts, customs fees as

well as customs rates, accelerating goods circulation at the customs borders and creation of favorable conditions for businesses, transfer to non-cash payment system in customs payments.

Measures will be implemented for improvement of legislation as well as performance of agencies in charge of financial monitoring, and development of financial monitoring procedures and the rules regulating these procedures. Preparation of periodical reports will be continued by the agencies engaged in financial monitoring in order to ensure transparency of their activity. It is intended to improve mechanisms and procedures for monitoring of local budget implementation.

Measures will be implemented to improve legislative framework on budget system and budget classification, as well as ensuring transparency of fund raising for local municipalities and spending of these funds for the achievement of the goals for which they had been allocated.

Measures in the field of education and healthcare include preparing of proposals on the status of teachers and doctors, ensuring that teachers and doctors' admission to the work is carried out transparently and on a competitive basis, adoption of codes of ethical conduct for teachers and doctors, increase in the salaries of teachers and doctors, and strengthening of their social security.

## ***5. Awareness raising measures***

The awareness on the substance of corruption, its reasons and threats caused by the corruption shall be followed on. The involvement of civil society institutions, private sector and the mass media in the public awareness raising will be supported.

## ***6. Cooperation in combating corruption***

The civil society institutions, mass media and private sector are seen as partners in the implementation of the Action Plan.

Bodies fighting corruption will further enhance their co-operation with international organizations and relevant bodies of foreign states as per the legislation of the Republic of Azerbaijan and the international treaties to which it is a party to.

## **IV. Implementation of the National Strategy and control over the implementation**

The Cabinet of Ministers of the Republic of Azerbaijan and the Anti-corruption Commission monitors the implementation of the National Strategy and reports to the President of the Republic of Azerbaijan on the implementation of measures envisaged in the Action Plan on semi-annual basis.

The central executive authorities adopt action plans related to implementation of the National Strategy and submit them to the Anti-corruption Commission for the monitoring of the status of their implementation. These agencies semi-annually provide information on the status of implementation of the National Strategy to the Anti-corruption Commission and the Cabinet of Ministers of the Republic of Azerbaijan. Other institutions responsible for the implementation of the Strategy also provide the Anti-corruption Commission with the information on the status of implementation of the National Strategy in a similar way.

Besides this, public monitoring of the implementation of the National Strategy is provided through increasing of transparency, co-operation with civil society institutions and public awareness. In order to ensure effective public monitoring, a political, legal and cultural environment strengthening free access to information, freedom of speech and protection of human rights will be promoted. Trainings will be conducted to advance professionalism, ethical behavior and responsibility of journalists specialized in anti-corruption issues.

The Cabinet of Ministers of the Republic of Azerbaijan in its annual report to the Milli Mejlis of the Republic of Azerbaijan will also continue to also provide information on the measures carried out in the field of combating corruption.

It is envisaged that the Anti-Corruption Commission will prepare annual national report on the fight against corruption. The report will be prepared with the participation of relevant state authorities, and information provided by the civil society institutions will be used in the preparation of the report.

The annual national report will assess the status of implementation of the UN Convention against Corruption, the Council of Europe conventions on criminal and civil-legal liability for, as well as the National Strategy. This assessment will serve for making analysis of reforms conducted, identification of priorities and next steps.

In order to assess the implementation of the National Strategy new governance indicators of the World Bank and other international organizations will be used.

With the purpose of studying the level of corruption in the government and private sectors, the National Strategy also envisages to conduct specialized researches and opinion polls. Researched and opinion polls will be carried out as per advanced international methodologies.

## **V. Priorities for implementation of the National Strategy**

The National Strategy sets the priorities for the measures designed to increase transparency and combat corruption. The priority measures are ought to be implemented during a shorter period of time as per the Action Plan.

## **VI. Funding of the National Strategy**

The measures indicated in the Strategic Plan are funded from the state budget and other sources not prohibited by the legislation. Every year during the preparation of the draft of the state budget State authorities provide the relevant entities with their proposals on the allocation of funds necessary for the implementation of measures set forth in the National Strategy.

With the aim of supporting the activities stipulated in the National Strategy, state authorities will be able to use consultative, methodical, technical and other assistance from international partners