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Azerbaijani NGO Support Council: Overview of Three Years of Activity

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Executive Summary

In 2007, the Government of Azerbaijan established a Council on State Support to Non-governmental Organizations under the President of the Republic of Azerbaijan² (hereinafter the "NGO Support Council"), with an aim to provide support to local NGOs. Three years into its activities, the NGO Support Council is now known for providing financial support to Azerbaijani NGOs, and for serving as a forum for NGOs to raise concerns over legislation and other matters of social and public importance. The NGO Support Council serves as an important and usually helpful mediator between NGOs, the government, and society at large. The NGO Support Council distributed around seven million USD in grants during 2008-2010 to more than 750 NGO projects. Despite its meaningful impact, though, the NGO Support Council has not addressed all the needs and issues faced by Azerbaijani NGOs.

This article provides an overview of the NGO Support Council's activities over the past three years. It seeks to look at whether it has achieved the goals for which it was established, to identify problems faced by the council, and to provide recommendations on possible improvements for its future work.

Background

Azerbaijan is an oil-rich former USSR country that obtained its independence in 1991. For years the Azerbaijani Government was also known to international community because of its unfriendly attitude towards NGOs and civil society at large. During that time, NGOs survived on foreign grants, and this became a source of friction between NGOs and the government. The Azerbaijani Government treated NGOs as if they were foreign agents or spies. NGOs and the government saw each other only as opponents. For years, registration of an indigenous NGO was almost impossible in Azerbaijan. In four cases, the European Court of Human Rights (ECHR) found Azerbaijan to be in violation of Article 11 (freedom of association) of the European Convention on Protection of Human Rights and Fundamental Freedoms.³ In recognition of the ECHR's rulings, the Government of Azerbaijan has improved the process of NGO registration and has begun to settle issues relating to registration in favor of NGOs and their founders.⁴ The Azerbaijani Government's attitude started to change also due to its new membership in the Council of Europe and exposure to Western models of NGO-government interaction. The Government of Azerbaijan manifested the change in its attitude towards NGOs by starting to register new NGOs. By 2007, more than 2,500⁵ NGOs were registered in Azerbaijan. When the government saw that the expanded number of NGOs did not cause political unrest, it implemented the next step: the President approved the Concept for State Support to Non-governmental Organizations (hereinafter the "Concept"),⁶ which provided a legal basis for governmental support of civil society in Azerbaijan. The Concept was designed to make government funding more accessible to Azerbaijani NGOs, as compared to foreign grants.

Before deciding on how to provide financing to NGOs, the Azerbaijani Government studied international best practices, in particular the experiences of Hungary and Croatia. On 13 December 2007, following a study tour and a period during which it conducted comparative research, the President of Azerbaijan signed a decree on establishing a Council for State Support to NGOs, a body designed to serve as a "bridge" between NGOs and state bodies, as well as a vehicle to provide financial support to NGOs in Azerbaijan. The President also approved the regulations on the NGO Support Council,⁷ a document that outlines the council's status and main procedures.

According to the regulations, the NGO Support Council was entrusted with the right to develop proposals to improve the state policy in regard of NGOs and submit them to the President; and to provide consultative, methodical, logistic, financial, and other type of assistance to NGOs.⁸

In addition to provision of financial support to Azerbaijani NGOs, the NGO Support Council has already proven to be an important advocate for NGOs interests. The council played a significant role in preventing adoption of legislation that was initiated by the Government of Azerbaijan, and originally designed to restrict activities of NGO, in 2009.⁹ It is currently advocating with the Government for simplification of financial reporting requirements for NGOs, and providing technical support to NGOs, helping them to comply with complex financial reporting.

Establishing NGO Support Council

The NGO Support Council was established as a result of the President's Decree of 13 December 2007. It is designed to represent both the government and NGOs. As such, it is composed of eleven members, all of whom are appointed by the President of Azerbaijan (eight members are nominated by non-governmental organizations and one member from each of the three state bodies: the Ministry of Justice, the Ministry of Finance, and the President's Office). The NGO Support Council's members are appointed to four-year terms and cannot hold these positions for more than two consecutive terms. They do not get paid from the state budget and work on a voluntary basis. The members of the council elect from among themselves a chairman, deputy chairman, and secretary. The legislation requires that the members meet certain requirements to prove their competence: (i) they must possess a university degree; and (ii) they must have reputation in the society and high moral values.

The present chairman of the council is an influential deputy and prominent civil society figure who is providing strong leadership and relative political independence in the council's decision making, despite the fact that all of the council's funding comes from the state budget. His leadership helped the NGO Support Council gain trust among NGOs in Azerbaijan as well as international organizations. Many international organizations, such as the World Bank, UNDP, USAID, and OSI, have been cooperating with the NGO Support Council, including co-funding joint projects.

Grants to NGOs

The main function of the NGO Support Council is to provide financial support to NGOs via grants. It distributed around seven million USD in grants during 2008-2010 to support more than 750 NGO projects. Grants competitions are held several times a year. The NGO Support Council supports NGO activities in a broad variety of areas, from defending human rights and free legal aid, to social-economic development and environmental protection. Only Azerbaijani NGOs can apply for grants.

The council's grant competition is normally announced one month prior to date of submission of project proposals, and contains detailed competition rules. Applications can be submitted by mail or in person.

The evaluation of the projects submitted to the NGO Support Council is carried out in three stages:

1. *Preliminary selection of the project proposals* by the Council's Secretariat, which mostly checks the conformity of the project with the competition rules.
2. *Evaluation of the project proposal expertise by contracted experts.* The experts evaluate the projects on a score-based system according to the evaluation sheet approved by the NGO Support Council. Each project is codified by the NGO Support Council and evaluated by three independent experts.
3. *Final decision of the NGO Support Council on the project proposals.* The eleven members of the Council discuss each project proposal individually and make their decision in view of the experts' opinion. The secretariat then places information about winning organizations on its webpage and notifies them individually by mail.

Those NGOs whose project proposals were not successful can appeal to the NGO Support Council within ten days from the time the decision is made. Appealing NGOs are invited to the council to familiarize themselves with the expert opinions on their project proposal. In practice, very few NGOs use this appeal mechanism (out of 984 proposals rejected by the Council, only 57 were appealed)¹⁰ because (i) according to NGOs, evaluations of project proposals are conducted rather impartially and NGOs trust the final decision of the NGO Support Council; (ii) chances are slight that an NGO might win an appeal and NGOs do not wish to damage their “relationship” with the NGO Support Council as they plan to apply for grants in the future. So far, there was only one case where an organization won its appeal.

Overall, the procedure of conducting competitions for grants has been impartial and transparent. NGOs interested in this source of funding have been closely monitoring the work of the NGO Support Council. So far, NGOs initiated two cases against the council’s withdrawal of the decision on financing their proposals, when these NGOs accused the council of an unjustified budget cut. These cases are still pending in court.

An important and perhaps most problematic part of the NGO Support Council’s work is monitoring the implementation of projects supported through grants. During its first grant competition in 2008, the NGO Support Council provided funding to 191 NGOs. When the secretariat began monitoring the financed projects, it was discovered that some ten percent of NGOs did not submit their project reports on time, and several NGOs could not be reached at the contacts provided to the NGO Support Council. Having felt “cheated,” the NGO Support Council became more rigorous in the selection of grants submitted by local NGOs. Analyses of the subsequent grant rounds demonstrate that at present, the NGO Support Council mostly finances the projects of well-established NGOs whom they “trust.”

Conclusion and recommendations

The establishment of the NGO Support Council in Azerbaijan was an impetus for strengthening and further development of NGOs in the country. It did not become a government tool to manipulate civil society through funding, as some foreign observers had feared when the NGO Support Council was established. Moreover, successful media coverage of NGO activity sponsored by the council helped improve NGOs’ public image among society in general.

The NGO Support Council has not replaced foreign funding in some areas, but rather provides important supplementary funding in areas of society that were not previously supported by any funder, including patriotism, national traditions and customs, and propaganda for Azerbaijan’s position in Karabakh conflict. Getting funding from the NGO Support Council does not require knowledge of a foreign language, and proposal and reporting requirements are often much simpler than similar requirements imposed by foreign donors. These distinctions, along with the generally very small sizes of grants, are not typically attractive to many beneficiaries of foreign grants, which allows small, indigenous organizations to benefit from the funding.

In practice, the NGO Support Council provides many types of support, not all of which are specifically prescribed by its bylaws, such as helping groups to register NGOs. The registration process for NGOs remains bureaucratic and politicized in Azerbaijan.

The main challenge for the NGO Support Council is its inability to meet the needs of NGOs with its limited budget. The council is financed by the state budget of Azerbaijan and there is no basis for it to generate funds from other sources. In Croatia, for example, a similar institution (the National Foundation for Civil Society Development) is financed through private donations, income from economic activity, and other sources (a percentage from money collected through lotteries and gambling).¹¹ Single-source funding makes the NGO Support Council vulnerable to political pressure as to which NGOs are financially supported and which are not. So far, because of its strong leadership, the NGO Support Council has been impartial in its decision making. However, unless sources of funding are diversified, this may not be the case for much longer.

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² See their official web-page at www.cssn.gov.az

³ The cases are *Ramazanova v. Azerbaijan*, *Ismailov v. Azerbaijan*, *Nasibova v. Azerbaijan*, and *Aliyev and others v. Azerbaijan*.

⁴ Mahammad Guluzade and Natalia Bourjaily, [The NGO Law: Azerbaijan Loses Another Case in the European Court](#), *IJNL*, Volume 12, Issue 3, May 2010.

⁵ According to Mr. Ilgar Mammadov, Head of Registration and Public Notary Main Department of the Ministry of Justice of Azerbaijan, there were 2,612 registered NGOs in Azerbaijan as of 14 December 2010. Round-table "Annual financial reporting of NGOs in Azerbaijan: problems and perspectives," 14 December 2010, Baku.

⁶ Decree on Approving a Concept for State Support to Non-governmental Organizations, approved by the President of Azerbaijan, dated 27 July 2007, available at www.cssn.gov.az.

⁷ Regulations on the Council of State Support to Non-Governmental Organizations under the President of the Republic of Azerbaijan, approved by President's Decree # 674 of 13 December 2007, available at www.cssn.gov.az.

⁸ Ibid, para. 2.3.

⁹ See *Analysis of Proposed Amendments to the Law of the Republic of Azerbaijan on Non-governmental Organizations (Public Associations and Foundations)*, ICNL, 16 June 2009, available at www.icnl.org.

¹⁰ ICNL obtained these statistics directly from the NGO Support Council in January 2011.

¹¹ Katerina Hadzi-Miceva, [Legal and Institutional Mechanisms for NGO-Government Cooperation in Croatia, Estonia, and Hungary](#), *IJNL*, Volume 10, Issue 4, August 2008.