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Internal News

ERC associates participated in the training

Seminar on " To carry out advocacy on local management" has been held by Oxfam in the hotel "Diplomat" in 21st april of 2008 year. ERC's expert on municipalities Tural Mammadov, executive official on quality control Nurana Ismayilova, executive official on human resources Jeyran Nasibova, and executive official on international relations Parvana Persiani took part in the training. Trainer Emin Amrullayev spoke about European Council's standards on local management, local management and European Charter(processes, claims, and main components), conference of local and international regional structures, targets of advocacy activity and how to contact them. Trainer Anar Jahangirly spoke about European Union and lobby. Trainer Khadija Ismayilova made her speech on the role of media in advocacy activity. Also participants were trained for ether conducts. At the end participants were informed about methodologies how to work and prepare internal and external advocacy strategies.



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Projects

Economic Research Center held a seminar in Ganja

Economic Research Center, and National Budget Group held the project “ Monitoring of transparency and efficiency of usage of means divided from state budget for usage electric energy by refugees and food aid” with the participation of NGO and media representatives, supported by Open Society Institute-Assistance Fund, in 9th of April of 2008 year in Ganja. In Ganja region, representatives from 18 NGO to 30 took part in the training. ERC’s experts Gubad Ibadoglu and Rauf Gasimov participated as a trainer in a training-seminar. Besides, “Gachginkom”’s Ganja representative Suleyman Abbasov joined the seminar.

At the introduction part of the seminar ERC Chairman of Management Board Gubad Ibadoglu made a speech on projects and their results held by National Budget Group, and made a presentation about state budget of 2008 year. After presentation, topics on arranging civil control on transparency and efficiency of budget expenditures, and the ways of extending public activity in this process were discussed.

The manager of the monitoring group of the project Rauf Gasimov presented reports on “ Monitoring of state resources for usage electric energy by refugees” and “ Monitoring of resources for food aid to refugees” to participants.

The Social Unions coalition’s of increasing transparency in mine industry ganja representative Aslan Valiyev mentioned that, the amount of electric energy divided for refugees is higher than average consumption in country. State “gachginkom” ’s Ganja representative Suleyman Abbasov consented to the direction of the monitoring and its results.

At the end the training participants were spoken about ERC prepared monitoring methodology. In addition it was mentioned that, it can be used as a good experience for extraction real results in conducting for this kind surveys in the future.

Presentation of inflation project results in BP

In 10th april of 2008 ERC’s Vice Chairman of Management Board Vugar Gasimly presented results of the project “ to work out alternative inflation methodologies” to local NGO s and BP associates in BP Business Center. The presentation was realized within “NGO dialogue session”. V. Gasimly spoke about international comparison of inflation level in Azerbaijan, government’s regarding to ERC’s suggestions for anti-inflation policy, and about practical results of the project to housekeeping and business.

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According to Gasimly, National Bank has ended the policy of connecting manat's market price to US dollar, regarding to ERC' s recommendation envelope targeted to the government: " After this exchange value of the manat will be balanced according to currency basket that dollar and euro are included. So, more real exchange rate diagnosis will be put on the manat." At the end V. Gasimly presenting inflation calculator to the session participants, explained the method of counting consumption price index.

Municipalities of Aran-Garabagh regions were trained

It has been 4 years as Economic Research Center holds the project " Strengthening local-management offices in Azerbaijan" supported by the Oxfam of Great Britain and ICCO of the Netherlands in 28 municipalities that present Tar-Tar, Agcabadi, Barda regions of Aran-Garabagh. The principal aim of the project to set up budget, tax and accounting according to legislative in municipalities and implementation of modern technology. The following project on the topic "Organizing accounting and registration policy in municipalities" was arranged in 10th of April in Barda. The training was conducted by the independent lecturer of Lecture Chamber of Azerbaijan Republic Altay Jafarov.



The first part of the training was dedicated to set up and arranging of accounting, lease, service, to sign labor treaties and correctly composing statement, protocol, order and counting documents. A. Jafarov answered questions about sale of lands through auction, utilization and exploitation methods of motor transport means.



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The second topic was about set up registration policy in municipalities and its efficiency. Participants were informed about making formal official journeys expenditures and main means, salary, debtor and creditor debts and formation of municipality's property.

At the end of the training questions concerned participants were answered, adopted knowledge was checked through test. Model accounting papers, treaty, statement and protocol forms in print and electron version were distributed to participants in the training.

ERC helps to municipalities in arranging tax-budget issue

Economic Research Center held a conference dedicated to results of project " implementation of information-computer technologies for developing transparency in municipality budgets and providing social participation" financed by World Bank, and Ministry of Connection and Information Technologies, organizing supported by Investigation Training and Resource Center for Commune Development, in16th of April 2008. Representatives of MCIT, Ministry of Taxes, Ministry of Justice, municipality associations, Baku municipalities, international organizations, local NGO 's and press participated in the program that occurred in the International Press Center.

The Chairman of the Management Board of ERC Gubad Ibadoglu told in his speech that, Center collaborates nearly with 100 municipalities: "We help municipalities with budget transparency and increasing public participation in deciding. This project's aim was improving budget-tax issues of municipalities by implementation new computer-information technologies, and to attain public participation in local budget process. That is why we put two targets in front of us: To create tax-calculator for the purpose of improving local tax matters and implementation of "Transparent Budget" computer accounting program-that is technical product of ERC, in municipalities." Manager of Center notified that, within the period of the project each two targets were attained successfully. So, at the end of last year the tax-calculator was prepared and given to usage. To ERC's attaining second target within the project "Transparent Budget" accounting program will be improved. It was loaded to the computers of Khachmaz, Khudat, Zabrat, Garachukhur, Buzovna, Masazir, Narimanov, Badamdar, Khirdalan. For teaching skills working with program, Center's experts trained municipality representatives. G.Ibadolgu also mentioned that, the Center plans to include analytical budget analysis to that program and to obtain usage of that program by a lot of municipalities.

Representatives of World Bank, MCIT and Ministry of Taxes affirmed that, ERC attained successful results on municipalities' utilization of modern information-communication technologies and improving their accounting system.

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Guba Municipalities Report to Locals on 2007 Results

Four municipalities in Guba region -Pashaoba, Ingrid, Alekseyevka, and Hacyhuseynli – hosted roundtables as part of the ERC-implemented project titled “Enhancing Transparency Initiative and Ensuring Public Participation in Municipal Decision-making Process” with funding from the U.S. Agency for International Development (USAID). The events aimed at reporting to the local communities about 2007 results of the four municipalities’ activities. A newspaper was published before the seminars were held: the newspaper covered information provided by municipalities as well as about results of surveys through the locals. And copies were distributed among them.

About 35 community members participated in the roundtable held at 11:00, on 23 April 2008 in the Guba district municipality of Alekseyevka. Project Coordinator Tural Memmedov and expert Rovshen Agayev also witnessed the workshop. After Mr. Agayev gave a general idea on municipality-community collaboration and importance of mutual reporting, municipality accountant Beybut Memmedov detailed works implemented by the municipality in 2007. Community representatives who were given the floor said they could benefit from opportunities created by the municipality. The villagers voiced their intention the municipality submit a monthly report about their activities. Besides, they offered availability of information provided through the corner placed in the area delegated to municipality jurisdiction.



About 30 community members participated in the workshop held at 14:00 p.m., on 23 April 2008 in the Guba district municipality of Ingrid. The event was held in the village school. Nacafgulu Azizov the chief officer of this municipality spoke about results of municipal activities in 2007, the floor was given to community representatives. The locals were satisfied with municipality activities, yet they spoke about existing problems in the village.



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The major problems to tackle were insufficient fresh water and electricity supply in the municipality. The villagers said electric power was supplied intermittently causing problems with the work of village artesian. Besides, Besides the villagers complained of insufficient gas supply to the village.

Mr. Agayev noted that the problems are out of competence of the municipality. To solve the problems, it was offered that municipalities initiate an appeal for the community and present it to related structures. The participants welcomed the suggestion.


About 30 community members participated in the roundtable held at 11:00 a.m., on 29 April 2008 in the Guba district municipality of Pashaoba. Project Coordinator Tural Memmedov and expert Gubad Ibadoglu from ERC witnessed the event. Chief municipality officer Sabir Gurbanov reported to the participants about works done in 2007.

According to Mr. Gurbanov, gasification of the village that commenced early this year is underway to be completed by the end of this year. Talking about election criteria of partnering municipalities within the project, Mr. Ibadoglu noted that prioritizing community-municipality relations and transparency is the most significant criterion, adding as the Guba district municipality of Pashaoba meets the criteria, ERC collaborate with them. He inspired the Chief municipality officer to tackle the problems. The locals mostly focused on the question of land. They claimed that land capability had been reduced in late years and asked for a specialist to inspect the matter. They also complained of a low quality of seeds and fertilizers.

About 60 community members participated in the roundtable held at 14:00, on 29 April 2008 in the village of Hacyhuseynli. After chief municipality officer Danyar Mammadyarov made a speech, the floor was given to some community members.

Notably, while preparing newspaper materials to cover the results of survey among the locals, the activity of municipality in 2007 had been estimated as “bad”. They maintained that there were many problems in the village that were out of the municipality’s competence. Irrigation water supply was the main problem. The locals and the so-called Union of Water Users indicated that using water for the quarry built in Gudialchay is the major source of this problem. People said the quarry even destroyed village roads and created problems with electricity supply. It was offered to launch mutual activities with adjacent municipalities to repair the roads. However, solving other problems is beyond municipality’s power.

“Community involvement in such problems is a must,” Ibadoglu recapitulated.



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Serious perfections must be conducted in targeted social assistance mechanism

The discussion of initial results of the project “evaluating the factors affected efficiency of targeted social assistance(tsa) mechanism” supported by Oxfam Novib organization of the Netherlands held by Economic Research Center, was arranged in the International Press Center in 24th April of 2008. Representatives of governmental and non-governmental organizations, press, international organizations and Parliament took part in the discussions.

In the opening speech ERC’s Chairman of the Management Board Gubad Ibadolgu informed that, the Center had started its investigations on mechanism of targeted social assistance from 2006 year. ERC’s Vice-Chairman of the Management Board Vusal Gasimly informed that, an interrogatory was conducted among 800 responders in Mingachevir: “The interrogatory found out the below results: People who got tsa could gather 7 documents. Responders could get tsa by presenting documents more 16, less 1. People of Mingachevir who could get this aid spent on the average 5, 1 day. From opinion asked people, one person gathered documents in 40 days, 22 people gathered in a day. 94 people(49%) one time, 52 people (25,7%) 2 times, 38 people (18,8%) 3 times, 8 people (4%) much times made an effort to be registered their documents for getting tsa”. V.Gasimly informed that, percentage of people who did not need but got tsa is 12,8. It was notified that, 38,2% responders know data about people who need but can not get tsa. Statistical analysis showed that, in spite of determining tsa was refused, those people’s per men income was lower that need criterion(40 manats) .

According to V. Gasimly it was to below results in the scope of the project:

- During preparing prognosis for tsa in 2008, it was based on 2006 year’s data and population’s benefit admitted unchanged, there was not considered increasing observed in 2007, and prognosticated for 2008;
- Considering little increasing of need criterion in 2008 we can say that, prognosticated sum was not based enough;
- Prognosticated sum of social guarantee expenditures per person is not correspond to life level in some regions ;
- Population’s lower knowledge about tsa;
- Expensiveness of “application cost” for getting tsa;
- Plenty of demanded documents for getting tsa;
- Problems in counting household benefit;
- Tsa surrounds only 30% of poor population;
- Existing inclusion and exclusion errors;



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Representative of the Ministry of Labor and Social Protection of Population Babak Husseinov told in his speech that, they admitted recommendations prepared on the previous project by ERC and noted that they had considered some of them. According to him MLSPP is interested in cooperation with ERC in this area. B. Husseinov said that, 14 documents is demanded from applicant for tsa. After second third and fourth time appeal number of documents descends to 2-3. Ministry representative speaking about responders' consent of officials' treatment, informed that, center's chief and 5-6 associates dismissed from office, and the interrogatory was held in the period of new governance. According to B. Husseinov , targeted providing level in the tsa implemented countries is around 70-80%: " In the interrogatory it was found out that this level is higher in Mingachevir. We try to diminish fact of getting tsa by people who do not need".

Vice Chairman of social policy commission of the Parliament Musa Guliyev notified that, the investigation was held objective and contented with most of recommended suggestions: " It would be better if next time such a research will be conducted in one of the village-district. Because village people are faced mostly with this problem. I think mechanism of targeted social assistance need some improving. Especially automation of mechanism, abating citizen-official contact to minimum is important. I think your recommendation "one window" system would be successful for it. One more important matter is organizing social rehabilitation of families given tsa and providing with job its labor capable members. Because living whole life for tsa is impossible".

Vice-chairman of the Public Union of Aid to Economic Initiatives Rovshan Aghayev valued negatively that Azerbaijan did not join European Social Charter's 30th item about poverty. According to him self-employment level is high in Azerbaijan.


The program had been continued by discussions.

Inflation is accelerated

ERC exposed results of alternative countings held in march to measure inflation level in the country. In 25th april of 2008 year Chairman of Management Board Gubad Ibadoglu informed in conference held in International Press Center that, the next stage of the project " Working out new inflation methodologies" started in January of 2007, supported by USA International Development Agency, was financed partial by Budapest office of Open Society Institute Assistance Fund.

First of all ERC chairman informed participants about results of interrogatory held among 3000 housekeeping within the project

for estimating inflation's impact on poverty. Then counting results for march were announced. It was clear that 5,34 percentage inflation has occurred in march month comparison with previous



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month. The highest inflation at the mentioned period was recorded in food products-8,19%. Meat, fowl-flesh, fish products(18,37%), drinks and tobacco(12,64%), bread, flour products and cereal (6,91%), milk, milk products and egg (6,50%), and sugar, tea and spice (5,13%) went up in prices. From non-food products, mostly building materials' prices went up.

In march inflation in regions(6,31) was higher than in Baku(4,58). In the first quarter of this year(from December of 2007 till march of 2008) 9,61% inflation was recorded in the country. Comparison with previous year's march this march inflation was 23.37%.

At the end of conference Gubad Ibadoglu answered to media representatives' questions about food crisis observed in the world, its reasons and feasible influences to Azerbaijan.


Technical aid to municipalities is being continued

Economic Research Center (ERC) had prepared "applied budget analysis" program as a continuation of activity of implementation modern electron accounting programs in municipalities. The program prepared within the project of "improving local management offices in Azerbaijan" financed by Oxfam organization of Great Britain and ICCO organization of Netherlands, conducts comparative analysis by years in municipality budget, accounts inflation indicators, analyses growth and diminution in different income and expenditure substances in local budgets.

For taking out to the public discussions "applied budget analysis" the seminar was arranged in the 29th of April in Barda. From 17 municipality- associate of ERC in Aran-Garabagh region 20 representatives participated in the seminar. Project's coordinator vice-chairman of the management board of ERC Vusal Gasimly informed that, the program will be beneficial for municipalities' finance activity. Participants informed that "Applied Budget Analysis" program will establish positive changes in their activity and sounded suggestions that can make program more useful for them.

Next discussion on Targeted Social Assistance was arranged in Mingachevir

The discussion of initial results of the project " estimating factors affected efficiency of targeted social assistance mechanism" financed by Oxfam Novib organization of the Netherlands, was held by Economic Research Center in 30th April of 2008 year in Mingachevir. State organs, NGO s, city municipality and press representatives took part in the seminar.



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Chairman of Management Board of Economic Research Center Gubad Ibadoglu told in his opening speech that, investigations on targeted social assistance had started in 2006 year. G. Ibadoglu estimated positively considering ERC's offers in giving targeted social assistance, after holding first project in Mingachevir. Vice-chairman of the Management Board of ERC Vusal Gasimly said that, an interrogatory was conducting among 800 responders in Mingachevir: "Estimating of poverty is 25,8% in the city but only 2% can get targeted social assistance". V. Gasimly notified that, the percentage of people who do not need but get targeted social assistance is 12,8. Statistical analysis showed that, in spite of per man average income was lower(40 manats) that need criterion, they was refused to get targeted social assistance. Those people stayed "out of game" only because they were not satisfied with work suggested by employment.

According to principal adviser of Labor and Social Protection of Population of Mingachevir city Hussein Asgarov, citizens reject 60-100manats paid jobs suggested by employment. Suggested high paid jobs do not correspond to citizens' speciality. The chairman of "Chichak" Beekeeping Union Nasib Suleymanov offered that, the Center Labor and Protection of Population must know exact number of people who need targeted social assistance: "There are people who need but do not appeal for targeted social assistance, the reason is uninformed people and difficulty in gathering documents for appeal". The Representative of Mingachevir Municipality Zahid Gasimov offered that, as district committees know better local populations' needs, estimating of society must be used to find out families who have a right getting this aid. The member of Veterans Council Isa... said that, 64 years he is living in Mingachevir and targeted soacial assistance do not reach to exact address.

As a conclusion Gubad Ibadoglu notified that, practical suggestions sounded in the seminar will be considered in the recommendation prepared to the government.

The Recommendation Envelope on " About Improving targeted Social Assistance System in Azerbaijan Republic" was presented to the government by ERC


In last two years, as a mechanism of targeted social assistance had launched in Azerbaijan Republic, Economic Research Center is engaged with investigation of this program. The Center conducted different surveys for this purpose, and as a result of those surveys had presented recommendations to the responsible state organs for solving existing problems. The main aim of the Center's surveys is to improve mechanism of targeted social assistance, by increasing efficiency of this system to achieve targeted, justness and parity. Thus, not only surveys are



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included to the Center's activity area, public enlighten companies based on their results and advocacy activity are included also. The ERC's latest investigation within this program, financed by Oxfam Novib organization of Netherlands, was dedicated to "Evaluating factors impact on efficiency of mechanism of targeted social assistance". The principal purpose of the investigation was estimating exclusion and inclusion during giving targeted social assistance and to assign determinant of poverty. For the purpose of investigating exclusion and inclusion, interrogatory form was prepared in two directions: for 1) 200 tsa assigned families, 2) 200 tsa assigning refused families. Also for giving statistic description of housekeeping, there were conducting among 400 housekeeping, prepared on one more interrogatory form. So, interrogatory inspection among 800 families in Mihgachevir, was held in October-November of 2008. The responders were informed that, investigated data will be used only for the purpose of research and anonymous will be protected. After the interrogatory results worked up in SPSS and Stata programs, was estimated after ERC's experts' analysis, and as a result existing problems and established tendencies came out. Problems discovered by investigation was valued as a discussion factor of various level, and ERC prepared the Recommendation Envelope for solving that problem. Recommendation Envelope is presented:

1. The enlighten activity in direction of increasing intelligence of population about implementation of targeted social assistance must be strengthened (advertising in center Tv s must be preferred);
2. " The cost of application" for getting tsa must be cheap; finance expenditures(dues, transport expenditures etc.), and time loss (gathering documents, waiting in turns) must be diminished;
3. The need criterion by stages and by high speed must achieve living minimum;
4. The need criterion and living minimum must be based academically, structure of need basket and adequacy of goods and services in the basket must be provided;
5. While indexing need criterion " inflation+ advantages of poor men" must be assumed as a basis;
6. The poor level of population must be supplied vastly with targeted social assistance;



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7. The prognosis of targeted social assistance must be constituted on regional characteristics of poverty;
8. While prognosticating targeted social assistance FGT index that determines “depth of need” must be assumed as a basis;
9. While giving targeted social assistance, housekeeping income must be accounted quickly and real; advantage norm in live-stock must be renewed and regionally differentiated;
10. While giving targeted social assistance the practice of determining family's income on base normative price of ground must be ended, more acceptable estimating mechanism must be implemented;
11. While giving targeted social assistance the methods of considering family's property must be softened; getting the targeted social assistance right must be restored if family has got a car that is more than 20 years;
12. For giving targeted social assistance, representation of representatives from NGO, Trade Union and local self-management organs(municipality, commune) must be affirmed in composition of commission that established in Labour and Social Protection Center of Population;
13. To work out the mechanism of usage local community's possibilities for discovering housekeeping that need getting targeted social assistance and estimating their income;
14. While assigning targeted social assistance each family who live in the same flat must be drawn into calculating process;
15. The appeal for targeted social assistance must be automatized and must be implemented in “one window” method;
16. The notion of “convenient job” mentioned in “Employment” law, must be worked out for the purpose of determine employment status for getting targeted social assistance.



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17. After estimating poor families' need from point of income, expenditure, property possession, social, flat, food, communal, health and in other areas social-medical programs of state must be implemented side by side with targeted social assistance;
18. Targeted social assistance and other social aids must be completed with social rehabilitation;
19. For guarantee of transparent and efficient usage of budget means assigned for financing targeted social assistance must be investigated by NGOs and public control possibilities must be broadened;
20. The salaries of officials who implements giving targeted social assistance and convenient officials' of Social Protection Center of Population must be raised;
21. Reliable statistic-electron basis and web-resource bank of targeted social assistance must be created and provided without obstacles access to it;

Recommendation Envelope was presented to the Ministry of Labour and Social Protection of Population, Ministry of Finance, Ministry of Economic Development, the constant commission of parliament "social policy", Ground and Cartographer Committee, Confederation of Trade Union, State Social Protection Fund, and other related organs.

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