

40th SESSION – second part / 40^e SESSION - deuxième partie

**MONITORING OF THE APPLICATION OF THE EUROPEAN CHARTER ON
LOCAL SELF-GOVERNMENT IN AZERBAIJAN**

PART II- Speaking Notes by Stewart DICKSON (6 minutes approximately)

Dear members,

Indeed, like my co-rapporteur, I am confident that we can work together with Azerbaijani authorities from both national and local level in the framework of a post-monitoring. Perhaps our proposal for a post monitoring made in 2013 did not meet a good political momentum and we should make this proposal again. That is why we have here a draft recommendation and resolution appended to the explanatory memorandum. Moreover we should like to thank Azerbaijani authorities very much for the numerous comments that they sent us during the consultation process which show their interest in the report and in local and regional democracy. So indeed I hope that we will pursue our good exchange on that matter through the pursuance of a political dialogue.

To sum up what my colleague pointed out and to connect it to the Charter requirements, we stress both in the report and in the proposed recommendation that Azerbaijani municipalities remain not able to exercise the basic functions attributed to them by legislation. The services provided by the municipalities are only supplementary and local social, economic and environment programmes may be aimed only at resolving issues not covered by the relevant state programmes. This makes of course the powers of municipalities not full and exclusive as required by the Charter.

Speaking about the capital city, Baku remains the only capital city in the Council of Europe which has no directly elected governance.

Consultation of municipalities and their national associations, while taking place informally, is not an established practice and is not regulated in detail in the legislation.

As it was already highlighted in 2013, municipal own revenues remain largely insufficient to fulfil the functions entrusted to municipalities by legislation and prevent municipalities from taking up activities in areas formally open to them; municipalities also have no power to determine the rate of their own taxes and are overall financially dependent from the state.

Another important point: It remains difficult to hire qualified staff for municipalities, which offer less attractive jobs than the state administration, also due to non-competitive salaries and limited personal development opportunities.

The procedure for dismissal of the chair of the municipalities for the cases in which they can be removed from office is not sufficiently specified in legislation. Another point: the legislation still provides that municipalities must report to Parliament on their activities.

I would also like to add one more shortcoming which is developed in our report: in the context of the COVID-19 pandemic, municipalities have been completely sidelined and their budget has been considerably reduced.

I will go to the recommendations which we believe are the most urgent to consider and implement:

First, we suggest to unambiguously recognise municipalities as state institutions exercising public power as part of the overall public administration;

clarify in legislation the relations between municipalities and local state executive bodies.

We also advise the Government to initiate a review of the Law on the Status of Municipalities and the other laws transferring tasks and functions to municipalities by ensuring that the powers and duties entrusted to municipalities are full and exclusive and that the municipalities have full discretion to exercise their initiative with regard to any matter not excluded from their competence.

Even if indeed we were told that it is not currently on the political agenda it is our duty as rapporteurs to recommend Azerbaijani authorities to adopt a law on the status of the capital city and establish a unified and democratically elected municipal government in Baku.

We also recommend to create a legislative framework for consultation of municipalities and their associations in the process of drafting legislation relevant to them and more broadly to local issues.

The central government should also reduce financial dependence of municipalities from the state by increasing and making sustainable their own revenues, by allowing municipalities to determine the rates of their taxes and by granting that the principle of concomitant financing be ensured in case of state transfers.

Lastly, I would like to come back to the health crisis, and recommend that in dealing with the COVID-19 pandemic, the Government should make sure that municipalities are involved and that their financial resources are not disproportionately impacted.

We are trustful to maintain the political dialogue that we developed during these remote monitoring meetings and that is why we propose a short preliminary draft resolution which calls the Congress to propose a post monitoring dialogue with Azerbaijani authorities in order to implement the Congress

recommendation. It also suggests the Monitoring Committee to follow-up the developments in Azerbaijan as regard the implementation of the Charter.

To conclude, we call on you to adopt the draft recommendation and resolution.

Thank you for your attention