

**Oil Workers Rights Protection Organization**

**OBLIGATIONS TAKEN BY AZERBAIJAN BEFORE  
EUROPEAN COUNCIL : CORRUPTION  
AND POVERTY**

**Special Bulletin  
Of  
“Azerbaijan Against Corruption” Survey Group**

**# 2**

**August**

**BAKU 2004**

**We express our gratitude to Royal Norwegian Embassy in  
Azerbaijan**

Project Coordinator: **Mirvari Gehramanli**

Email [gmirvari@azeronline.com](mailto:gmirvari@azeronline.com)

Author writings in this special bulletin were published in newspapers. These writings are shortened in this bulletin.

“Yeni Musavat” (Zamin Haji)

“Baku Kheber” (Metanet Muslumgizi)

“Tezadlar” (A.Mammadli)

“Bizim yol” (Razi Abasbeyli, Mahammad Ersoy)

***Editor of special bulletin: Zamin Haji***

**Executive Secretary: Janavshir Huseynov**

## **REACTION**

### **ACTIVITY OF “BAKU TUTUN” COMBINE IS ANALYZED**

Home Affairs Ministry reacted writings in the press

Two months ago, a few journalists and human rights defenders came together and created “Azerbaijan against Corruption” Survey group. Survey writings of this group regarding different disputable issues were published in “Yeni Musavat”, “Bizim yol”, “Tezadlar” and other papers. Researchers, last time, prepared writing about illegalities in “Baku Tutun” Joint Stock Company. By information given by Mirvari Gehramanli, head of group and chair of Oil Workers Rights Protection Organization, just last writing has been interested by state. So, by order of Ramil Usubov, special group was created in Inspection department of Home Affairs Ministry. Department’s official Zakir Ahmedov was appointed head of this group. By words of Mrs. M. Gehramanli, employees that complained about “Baku Tutun” Combine were already in Home Affairs Ministry (further HAM) last week. Some of them testified in Inspection department yesterday. This Combine was given to USA Company in 1998. After a year, by decision #118 of Ministers’ Cabinet, combine was given to “Sorex” company ruled by Greek-origin citizen. Head of that firm promised employees of combine that they will have dividends from incomes that would be obtained after certain time and their salaries will be lifted. But despite passage of five years there is no change in salaries. Survey was conducted by complaint of 600 employees of combine and it was found out that combine was not working without income as it was told by its head. After publication of that writing, HAM reacted this issue and started to analyze problem.

Mirvari G. told that book named “Azerbaijan against Corruption” consisted of writings published by Survey Group, is prepared. After holding presentation of this book, it will be sent to Embassies in Baku, representatives of international organizations, also governmental bodies.

(“Yeni Musavat”, August 31, 2004)

## **SURVEY**

### **WHY DOES “EUROPEAN-TOBACCO-BAKU” WORK WITH DAMAGE?**

(Started from previous bulletin)

A. Mammadli

So all was interested in if “European-Tobacco-Baku” Joint Stock Company works with damage or income. So official information and letters of official organs, who are interested in profitable working of enterprise, say that JSC works with damage. Official information of enterprise officials say that JSC works with income. How is it possible?

### **Two faces of one enterprise**

Now see an official speech of “European-Tobacco-Baku” Joint Stock Company’s general director Pierre Arnard on obligation that he took while foundation of JSC: “Company is biggest investor that invested in non-oil sector in Azerbaijan. So more than \$60 million was put for reconstruction works and purchase of new appliances in factory, so far. Company implemented its obligations taken before state (for two years and a half) earlier that time, within 4 months and 22 days.... By results of 10 months of 2001, JSC is the biggest taxpayer among non-oil sector investors. So within 10 months of 2001, 54,9 billion manat tax was transferred to budget and totally in comparison with results of last year (37,8 billion manat), it climbed 145,2%. Production volume, too, lifted for 2,7 times, in comparison with last year (5,665 billion pieces).”

\*\*\*

Now let us see official answer of A.Akhundov, chief of law department of State Committee on Precious Papers by Azerbaijan Republic’s President, regarding complaint of Salmanov Nadir Salman oglu, stockholder of “European-Tobacco-Baku” Joint Stock Company: “Your application dated from February 16, 2001, was studied. It was defined that “European-Tobacco-Baku” Joint Stock Company has not held general conference of stockholders since it has been registered. And it is opposite to Article 5 of Section 21 of Law on “Joint Stock Company”, Article 6.1 of “European-Tobacco-Baku” Joint Stock Company. It was found out from accounting balances of JSC that enterprise ended 2000 with damage of 4.773.519.000 manat. That is why stockholders were not given dividends on results of that year. GKDK officially demanded from chief of Board of “European-Tobacco-Baku” Joint Stock Company to define date of general conference of stockholders within 30 days for elimination of illegalities committed in company’s activity.”

### **What made Rufat Guliyev break the law?**

As it is seen from letter, chief of Board of “European-Tobacco-Baku” Joint Stock Company Rufat Guliyev violated law.

Of course, if general conference of stockholders were held, first, everybody would find answer to its question: JSC works with profit or damage. If it would be clarified that it works with damage, then general conference of stockholders would adopt a decision and get enterprise out of this dangerous situation. And if it would be found out that enterprise works with income, then Rufat Guliyev would be asked about dividends that were not given.

### **Why does Taxes Ministry keep silence?**

As mentioned above, JSC worked with damage in 2000 and 2001. But its leadership declares that no, but results of 10 months of 2001, company implemented most budget obligation (54,9 billion manat) among non-oil sector in Azerbaijan. Plus, production power of company lifted for 2,7 times in that time.

Naturally, if production is high in this case there is income and so, higher budget obligation. But JSC has income but also it works with damage", no dividend!!! It is maybe something new in economics. In this case, Taxes Ministry should interfere in issue. First, for analyzing if JSC works with damage or income.

By Law of Azerbaijan Republic on "Privatization", if privatized enterprise works with damage, Taxes Ministry and Economic Development Ministry have to raise a question on its bankruptcy. Taking into consideration all these, we present only fact into your judgment, in one word, about annual production power of a cigarette producing machine of JSC: there are more than 21 cigarette producing machines ("LOG", France production) and only one of them produces 4,000 cigarettes a minute.  $4,000 \text{ cigarettes} \times 60 \text{ minutes} = 240,000 \text{ cigarettes}$  and  $240,000 \times 7 \text{ hours} = 1,680,000 \text{ cigarettes}$ . Then this number  $\times 3$ , working day with shift =  $5,040,000 \text{ cigarettes}$   $\times 26 \text{ working days} = 131,040,000 \text{ cigarettes}$   $\times 12 \text{ months} = 1,572,480,000 \text{ cigarettes}$ . Then we divide it into 20, a package, it makes  $78,624,000 \text{ packages}$  of cigarettes. Then we divide it into 500, one box and it makes  $157,248 \text{ boxes}$   $\times \$120$ , average price for one box of produced cigarette =  $\$1,886,9760$ . It is (about) retail value of ready product of cigarette producing machine for a year. It is hard to define why such enterprise, annual production power of machine of which is so high, "works with damage".

\*\*\*

We have documents showing tobacco production in Azerbaijan for 1990-1997 and 1999. Most interesting in these documents is that difference between annual production power of primal processing plants that produce tobacco in country and power after they were changed into JSC is more than 2-3 times. For example, in 1990, 5035 tons of tobacco was produced in Nakhchivan, 3316 tons in 1991, 156 tons in 1997. This number was 500

tons in 1999 after creation of “Nakhchivan-tobacco” JSC. This difference is too big in other JSCs. For instance, Balaken tobacco plant produced 5305 tons of tobacco for 1990, 1997 – 2064 tons, 1999 (“Balaken-tobacco” JSC) – only 390 tons. In Sheki the situation is: 16100 tons, 3788 tons and 950 tons. Zagatala – 10316 tons, 330 tons and 1390 tons. Why? And why A.Abbasov, 1<sup>st</sup> deputy prime minister on agriculture, did not study this tragic situation in one of most profitable fields (non-oil) of country and took measures. Is it possible to keep silence about this situation of tobacco production which is supporter of population’s employment and living in about 40 agricultural districts?

Yes, now it is clear that foundation of current black day of “Baku-Tutun” Joint Stock Company was built a few years ago. All good things and hopes of a big collective that devoted its life to this enterprise, were destroyed by passing combine from hand to hand. Collective first was promised good salary, good life and dividends under privatization. But at the end, property right of collective was violated. Collective which had nothing from mentioned contest of State Property Committee, in 1999, writes an appeal to President H.Aliyev, Chief of State Control Department of PA S.Jafarov, prime minister A.Rasizade, speaker M.Alesgerov, Chief of SPC N.Nesibov, general prosecutor E.Hasanov and etc and expresses its absolute objection against known privatization forgery. Combine’s director B.Budagov, chief of privatization commission T.Agayev signed appeal, too and it shows that situation was very hard. They saw its result then: B.Budagov was imprisoned, T.Agayev was, as it was said, poisoned and he died.

\*\*\*

This appeal, indeed, is an official document reflecting an example of similar tragedies of our enterprises that our collectives were deprived under name of privatization in Azerbaijan so far. Appeal says: “As you know, State Property Committee gave a decree #413 on July 6 of 1999 about changing of Baku Tobacco Combine into Joint Stock Company on August 17, 1999. By that decree, capital of JSC was 30593 million manat or nominal value of one stock was 100,000 manat, by emission of 305940 stocks, enterprise was on sale on following way: discount sale of 15% to labor collective, sale of 30% in monetary auction and to announce investment tender for 55%. By decree, #118 of Ministers’ Cabinet dated from July 6, 1999, as “RJR Tobacco-Baku” Ltd. Did not abide Azerbaijan Republic legislation and terms of contract founded on creation of joint enterprise, it was ordered to SPC and Agriculture Ministry that to provide return of all actives put by BTC in fund of “RJR Tobacco-Baku” Ltd. and its giving to BTC balance. Regarding this SPC and Agriculture Ministry signed joint decree to carry out that assignment. SPC signed it on July 8, 1999 and Agriculture Ministry signed on July 12, 1999. Unless Commission did not end its work – unless BTC did not receive its devices back (this issue still is not solved and

commission gave no document in this issue to combine) and Article 1 of decree was not implemented, Article 2 of decree #118 C was fulfilled by SPC. Property brought by foreign side for charter fund of joint enterprise was eliminated from combine territory within a few days on letter #29-A/643 of SPC dated from 12.07.99. But by Article 1 of mentioned decree of HK, created commission has to define actives to be returned to balance of combine and account deficiencies, also damages enterprise and republic may face. SPC had to abide all these. In investment tender we were together with Geneva-placed "Sorex" Management Incorporation companies group and more two claimers. Other two claimers denied tender and programs of BTC and "Sorex" were discussed. "Sorex" firm which was being supported by SPC, was winner of tender by score of ball. Terms considered in program by BTC along with program of "Sorex" were higher than of foreigners (it was confessed by SPC representatives on TV). But only their promises that they would invest \$49 million, were preferred. We count it promise because document guarantying grant of this amount was not given to commission members and to us, as well. You need to know that such a promise was given in written form by "R.J.Reynolds Corporation" B.V. firm in 1996 but it remained on the paper only. Despite Ministers' Cabinet was informed on this many times, no steps were taken. Vice versa, sale of combine to one more Geneva-located company with unreal terms, will paralyze that combine in future. A company known as "RJR" firm in the world, could not manage this combine for 3 years and now it is strange that this combine now is given to a company that is not known in the world and has no practice in tobacco industry. We want to make some comparisons between terms of program submitted by foreign side and program of BTC: - First, in field of practice, BTC acts in this field since 1953. This firm does not show its practice in this field in its program. It only shows that there are 6 tobacco factories (names are not shown) and it has big practice on sale of product ( we remind that quality product does not need a search for buyer);- JSC at present time has about \$2 millions of debt to workers and employees. BTC promises in this program to pay 66-80% of this debt within 6 months but foreign side promises to pay only \$100,000 in this field (but duration is not shown); - combine promises to pay about 30% of 40 billion manat within 6 months on debts of JSC to budget (JSC has 24 billion manat debt to budget, 2 billion manat out of budget, 4 million manat loan debt and 10 billion manat to social-protection and other funds) and to pay rest of debt within a year. But foreign side promises to pay \$50,000 in this field; - amount of funds to be invested in production fields by BTC is defined as \$3,2 million ( program considers increase of that sum by accounts of internal resources) and it is real. According to opinions of foreign experts on modernization of appliances that we conducted, it is enough to spend a few hundreds of thousands of dollar for current appliances of combine that total number of employees

working in these appliances could be 800-1000 peoples on two-termed system.

(Continuation of survey will be in next bulletin)

## **COMMENT**

### **ORDINARY CORRUPTION**

Zamin Haji

Only lazy people do not speak about it. Surely you understood that question is about corruption. Azerbaijan is a country where all bribe and almost receive bribe. Now they call it “respect» at us. I think it is an indicator of society’s moral degradation. Our corruption terminology is already “known” in international area. One of my colleague was talking that Russian border soldiers checking his documents in Dagestan territory, were asking despite everything was all right: “A hormet ne budet? It means Will you “respect”?”.

I think corruption looks like fascism. It creates economic racism by destroying free concurrence environment in society. Society changes into a place where big bribers rule and rich ones are considered high race. Also there is another feature of them – if it is not fought in time, number of its victims grow with high speed.

\*\*\*

Speaking of management system of Heydar Aliyev, his supporters always speak of thesis called “state principles”. (By the way, in a time when all the world goes towards civil society, to speak of state principles is totalitarianism. But it is another topic).

I think “state principles” of Heydar Aliyev was founded upon corruption. As I mentioned before, it is easy to rule a country where everybody involved in bribery. If people do all their work upon bribe, in that case there is a total fear in people towards state apparatus. Saying in simple language, “but how we can oppose against power’s election gerrymandering, they know well that we are doctor who takes bribe from patient, teacher collecting money from pupil, parent getting his child in military division apart from front by bribe”. So Heydar Aliyev’s power system closes hands and feet of society by corruption chain and even connects this chain to international bureaucratic apparatus and dirty transnational oil corporations. Situation did not change after his physical death – chain is in reliable hands.

\*\*\*

Some economists count that it needs to have natural reaction to corruption in countries such as Azerbaijan living its transition period. They call bribe “oil for screws of economic mechanisms” in such countries. Screws would be destroyed without this oil. There is some truth in this thought. Usually in countries that are in transition period, creation of legislation is in low level than economic growth temps and people are obliged to solve their daily cares by bribe. But in our country corruption does not any more function like “oil”. It changed into economic-social mechanisms themselves. By this logic, reforms and renewal of legislative base should decrease corruption. But privatization is already over and Milli Mejlis adopted relevant laws. But nothing is changed. Even anticorruption measure for lifting salaries of officers was not useful in Azerbaijan. For example, today court judges have highest salary in country (about \$500 monthly) but it did not decrease their corruption appetite.

In beginning of year, adoption of law “on Fight against corruption” caused a laughter and increase of bribe in some fields. For instance, during sale-purchase of house, sum of state fee for confirmation of contract in notaries is 550,000 manat (\$110 in current rate). All know that notaries were doing this job for \$150 and taking \$40 bribe from every contract. 4-5 months ago I went to department for confirming contract of my familiar and notary told something interesting: “Adoption of law on corruption is very useful for us. Because it says that illegal payments amounted up to \$70 are not bribe.” Really, after a short time, I heard that notaries fee for house sale or purchase contracts is 170-180\$. Law stimulated them and lifted their bribe up to 60-70\$.

\*\*\*

By the way, despite, law on corruption was adopted in beginning of this year, Ilham Aliyev stopped its working till January of 2005. As if some laws need to be amended and state apparatus have to be ready for fight with corruption. But we know well that it is nonsense. He just does not want it. Aliyev does not want to cut corruption branch in which he is sitting. They would not adopt this law but one of country’s obligations taken before European Council was adoption of this law in 2000. Very important 4 years were missed. Now they want to long the process. As much as possible. One year for which law is “frozen” is needed just for getting immunity from future’s possible punishments.

\*\*\*

There is strange landscape in base of all these:  
By summer report of “Transparency International” anticorruption organization, as if rate of corruption in Azerbaijan decreased. I do not want to bore you with those numbers but according to information given to “Trend” agency by representative of organization Miclosh Marshall impact

of corruption is too weak in all Southern Caucasus countries, including Azerbaijan. Despite, reports of this organization for last years Azerbaijan was entered in first trio of countries underwent corruption. What happened at once? Maybe Ilham Aliyev started to cut bribers with sworn – we are not aware? Of course, we cannot say anything on role of non-transparent meetings of “International Transparency” Azerbaijan office with power in creation of such “positive” opinion. We are unaware of facts. Economist scientist Azer Mehtiyev has his own attitude on this issue. Mehtiyev says that international organization is not to blame. Just power family established such relation with economy that there is no need for bribery. In one word, if economic organizations, enterprises are belonged to Ilham Aliyev, what is necessity for bribery? He will not rob from himself. Mehtiyev says that corruption’s level can be defined by paying attention to attraction of economy by power into monopoly through illegal ways.

\*\*\*

Actually, for last times, talks are wide about globalization of corruption and joint bribe hunting of world bureaucrats in dirty waters. Economist expert Ali Mesimov connects it to human being crisis in world. In any case it cannot be explained in other way when state heads calling themselves democrats, cooperate with corruption regimes and stay indifferent to poverty of people – there is mutual sale-purchase process here.

Last year, before presidential elections in Azerbaijan, Swiss lawyer called Hans Bodmer was arrested in USA. Arrest was conducted at one of New York courts on criminal case started on embezzlement of \$182 million of “Omega Advisors Inc” Foundation. During hearing it was turned out that businessman Victor Kojeni with Czech origin, gave tens of billions of dollars to Heydar Aliyev and Ilham Aliyev by Hans Bodmer for taking part in privatization of oil industry in Azerbaijan. But Bodmer was conditionally freed after election, court named “Azergate” was delayed for unknown time. It comes clear that USA administration is not going to disturb Azerbaijan leadership changed into USA’s slave.

\*\*\*

Lastly, big achievements of Georgian President Mikhail Saakashvili in short time and that he took \$150 million from corruption officers and entered it state budget. This showed that most important in corruption struggle is personal will of state head and his personal characters. There must be example and selected people create this example. I think no one has doubt in this.

.....

**REFORM**

## **RICH MINISTERS OF “TOUGH” PRESIDENT**

Sevinj Telmangizi

What will be the result of fight of Ilham Aliyev against corruption?

Last week, state's head Ilham Aliyev bought personal airplane amounted in \$45 million. For not having eyes of people around him on it, he “respected” them. For instance, he lifted monthly salary of prime minister up to 7,7 million manat, of his first deputy to 6,8 million manat. Other deputies of prime minister will have 6,5 million manat monthly. Ministers, chairs of State Committees and president of National Bank will get 6 million manat monthly. Their first deputies' salary is 4 million, other deputies and heads of central executive powers will get 3,5 million manat salary monthly. Salary of heads of other central executive powers is lifted up to 5 million manat. President cared about heads of executive powers of Ganja, Baku and Sumgayit. Now Baku mayor will get 6 million manat salary, Ganja and Sumgayit mayors 3,5 million manat. Salary of other cities and districts will be dependent on number of their population. So, heads of cities and districts with 50,000 population will get 3 million salary, less than 50,000 will have 2,4 million.

By second order of President, salary of state administrative and assistant employees is lifted. Minimal salary of administrative employees will be 350,000 manat, of assistant employees 150,000 manat. In administrative jobs category, highest salary is of Milli Mejlis – 6,2 million AZM, High and Constitutional Court – 6,1 million AZM. 740,000 AZM is considered for assistant employees, technical employees of High and Constitutional Court.

By Law “On State service”, Ministers' Cabinet was ordered to prepare relevant project regarding salaries of Education, Culture Ministries, Statistics Committee, State Committee on Refugees and IDPs, Agency of Authors' Rights. Changes will soon be made in salaries of mentioned organs.

An interesting innovation. They say that President took this step for helping the law “On Fight against Corruption” to work by 2005. I. Aliyev does his best that officer with high salary does not take bribe. But there are different processes in country. Till the working of law, state officers restore their private sector activity, take certain fields under monopoly and etc. It is their plan made for “black day”.

Economist expert, former Prime Minister Ali Mesimov has different view on this step of president. He thinks that this step is a sort of lesson. He says that because of delay of implementation of shown measures during next 6 months after adoption of law “On Fight against Corruption”, I. Aliyev gave such decision. Mr. Mesimov told that law “On state employee” that was adopted on that eve, covered relevant article on increase of salaries of

state employees: "Making a complex approach to issue, there is need for improvement of organizational structure of ruling, forming of ruling system meeting demands of modern time, democratization of political system. Big works have to be done towards increase of transparency of activity of executive and judicial powers. In this case to lift salary of prime minister up to \$1500 is not big number. Head of executive power in districts with more than 50,000 populations will have \$600 salary. Salary of executive power's head is not sufficient for reception of guests he receives at executive power a month. I do not take into consideration other issues. Because of this reason, complex measures have to be prepared towards increase of rationality of state ruling system."

Expert finds that this process has to be carried out parallel in society. He says that it is very bad example if salary of prime minister is \$1500 and average monthly salary in country is \$90-95: "I mean, salary of prime minister is 16 times more than average salary. Professor of certain high school has 20 times less salary that prime minister. State has to apply its next step to other employees working for budget organizations. Personnel reforms have to be part of this. There is a serious disproportion when salaries of senior personnel is increased but of ordinary employees not." Second comparison: Georgian President Mikhail Saakashvili, on purpose of fight with corruption in country, deprived most of officers of their villas and changed it into kindergartens and old houses. He made a big cut in State Road Police and his goal is to prevent corruption cases in transport. Still two years ago, former president of Georgia Eduard Shevardnadze was living with \$190 salary. He was not considering himself poor and several international monetary prizes he won for last years, also honorarium of book "My choice" were meeting his financial demand. By his personal income, he was giving honorarium to well-educated students of country.

We can continue comparisons. But there is no need. Because situation is before eyes.

\*\*\*\*\*

## **ARMY**

## **SAFAR ABIYEV "EATS" THREE MILLION DOLLARS SOLDIER MONEY EVERY MONTH**

Mahammad ERSOY

His companions in this are Kemaleddin Heydarov, Ziya Mammadov and Fuad Elesgerov.

When papers write that there is any mistake in Azerbaijan army, Defense Ministry, that is responsible for eliminating that mistake, attacks on the side that discovered that fact, instead attacking on deficiencies in its activity. It is Defense Ministry that drove papers into courts mostly among governmental structures so far. A number of paper employees were called to military service without any ground, for writings about illegalities in fields that are under direct control of Defense Ministry. Ministry changed a military service, which has to be considered an honor for every Azerbaijani man, to punishment. Haji Zamin, who was an employee of "Azadliq" paper in due time, for coverage of embezzlement facts in Defense Ministry, was taken to military service without ground and was made serve in hardest circumstance. Besides, they tried to take senior editor of "Bizim yol" paper Mahammad Ersoy to military service last year with no ground. But at that time senior editor had serious problems in his stomach and that is why Ministry's officials could not implement next order.

Azerbaijan army is not armed group of Defense Ministry and Safar Abiyev. Army is considered for security of nation, state and its territories and citizens. Azerbaijan citizens pay tax for providing army protecting them, with good circumstance.

It becomes clear that Minister of Defense was seriously dealing with corruption so far. By information we got from close sources to Presidential Apparatus, Azerbaijan's Defense Minister Safar Abiyev personally has embezzled full 40% of money allotted for army so far – during Heydar Aliyev's term in office. These embezzlements were carried out by different methods.

By reliable source we found out that minister was implementing these embezzlement facts on a few grounds. For instance, price of frozen meat and meat products that enter food norm of army, also other food types was shown 2 times higher than it was. And despite purchase of those products was possible inside country, it was shown in documents as if they were brought from other countries (Russia, Ukraine and Middle Asia countries), daily norms, considered for soldiers, were minimized, caviar, banana, fishes considered by menu were not given to soldiers and other different methods.

In implementation of these works high-ranked officers supported Safar Abiyev and they still cooperate. For example, by documents as if frozen meat and meat products are brought from Ukraine and again only by documentation customs fee and transport fee are paid. But indeed that meat is bought in Azerbaijan for cheapest price. Ministry employees' ground for exaggerating the price is that as if high quality foods are provided to soldiers, that is why prices are shown like 22,000 manat despite it is 10,000 manat. Because by facts we obtained, S.Abiyev

embezzles \$3 million a month from funds allotted for army by such methods and this money is shared by his partners. First partner of Defense Minister is head of State Customs Committee Kemaleddin Heydarov. Just by his mediation, food of soldiers brought to country from “abroad”. Then work is up to second partner. Transport Minister Ziya Mammadov is responsible for “delivery” of food to destination inside and outside country. Due to his help, food that “bought” from abroad by Safar Abiyev and “brought” to country by K.Heydarov, is “delivered” to soldiers for providing our army with good circumstance. Then there is need for another procedure. Committed crime is absolutely to be documented. In this case new face appears. Director of Law Department of Presidential Apparatus Fuad Elesgerov. So, Fuad Elesgerov who documents all these crimes, becomes additional partner of earned money. And by this way, about \$3 million, that allotted for army from budget, is embezzled a month and most part of these money is directed to pockets of S.Abiyev. By information we received, during H.Aliyev’s power, S.Abiyev could embezzle only 40% of money allotted for army. But in the term of Ilham Aliyev’s leadership he takes 60% of this money. This percent includes clothing considered for army.

## **TRANSPORT**

### **APPETITE REMAINED UNDER TRAMWAY**

Razi Abasbeyli

#### **Who, why and where sells property of city?**

Appeals and written materials of former employees of Tramway Park helped us in the issue in which we were interested for so long.

- Since November of 2003, employees of park were fired.
- In territory of Tramway Park, which is still state property, 18-floored building is being constructed by official permission of Head of Baku city Executive Power Hajibala Abutalibov.
- From 2003 till 2004, employees of park applied for many times to Milli Mejlis, President’s Apparatus, Confederation of Azerbaijan’s Trade Unions.
- Since July of 2004, employees created Strike Committee among themselves.
- Since July 9 of 2004, employees announced strike with full collective.

In the letter entered our editorial, signed by committee members, it is written that on July 8 of 2004, employees called Behram Nasanov and Agamir of Nerimanov district’s police department #16 raided into apartment of chair of Strike Committee Farida Niftaliyeva located in Keshla settlement, Abdulla Mirzauev street, house 14 a. Then, while meeting with park leadership, strikers faced pressures of employees of Nerimanov district’s police department. Collective members think that employer violated Article I of Section 16 of Labor Code, Articles I and II of Section 172,

Articles I, II and III of Section 178. These Articles have to be implemented to labor collective and salaries till July of 2004 must be fully paid. They also demand that Baku city administration, as it promised, opens new jobs in city transport and restores 15% stock share of collective in general control stock packet of park. They demand that city administration has to inform them on incomes received from sale of tramway rails of city, while its pretext, for not paying salaries of employees, was financial lack. Strikers count that official documents on sale of rails have to be given to them. At least because collective has stock share in this park and sale of park property by leadership without privatization is crime. We have additional information on rails sale. We found out that tramway rails in city are sold to Baku Steel Plant. After set of prohibitions on color metal import from abroad, plant has lack of raw stuff. Also park leadership indirectly confesses that they sold rails on order of Baku city administration. Money from the sale was given to Baku mayor. This work is not implemented only by mayor. Police organs took part in sale of rails. Relevant bodies conduct no investigation still regarding embezzlement of tramway parks' property by H.Abutalibov and his permission for construction of living building in park territory. Besides, hundreds of people are unemployed after repeal of park.

## **INSURANCE**

### **OIL COMPANIES DO WHAT THEY WANT IN AZERBAIJAN**

Razi Abasbeyli

#### **They massively avoid insurance by disobeying Azerbaijan laws.**

Still, names of big oil companies are seen rarely in payment sheets on taxpayers of Taxes Ministry. Even Azerbaijan government cannot end full collection of payments of big companies such as Lukoil, BP. Oil consortiums that earn millions in Azerbaijan, surrendered Azerbaijan laws to the will of their capitals. Role of regime in this case is bigger. This time we present you information on companies disobeying Azerbaijan laws and dealing with oil production in provinces. Recently, "Garasu" operation company (OC) held opening of tender proposals submitted by a few insurance companies (IC). Tender was held for purchase of volunteer medical insurance polices (VMI) for about 900 employees of OC. Information is given by company, itself. But no matter how much we tried to learn, we could not get any information on tender participant-companies and tender terms. Local insurance companies were not invited to tender. We contacted some of local insurance companies and they told that they did not take part in tender. We did not answer from "Garasu" company to our question on why local insurance companies were not invited to tender. We talked to head of one of local insurance companies who did not want his name to be mentioned and he told that most of oil operation

companies prevent on purpose creation of common concurrence environment in volunteer insurance market of country. By the way, ‘Garasu’ is joint company of Azerbaijan and Canada. Azerbaijan got 15%, Canada 85% share in company. Taking into consideration that in comparison with charter capital of company, here, price of insurance police is \$150, then total amount of contract signed for 900 employees is \$140,000. By current valid legislation, if sum of contract signed with any foreign investor for creation of joint enterprise is higher than 250 million manat or \$50,000, State Agency on Purchases (SAP) has to be involved in any tender. SAP informed that they are not aware of mentioned tender and they do not want to interfere in issue for not scaring foreign investor. Meanwhile, a scandal happened at the end of last year is remembered. There was serious scandal on legality of tender held at SAP among founders on insurance of property of ‘Azercell’ joint enterprise, which is foreign investor. In November of last year, SAP was threatening ‘Azercell’ that it will repeal results of tender. But then after ‘unknown reasons’ agency stopped its threats. Unfortunately, in companies working in Azerbaijan and in oil companies such tenders with illegalities are encountered often. At ends of last year, ‘Salyan Oil’ oil company did not disclose results of VMI tender for more than 2 months. But results must be announced within 10 days after opening of tender. We and other press organs published writings on this issue in our paper. After a long time, ‘Salyan Oil’ officials declared that ‘Ateshgah’ IC won in insurance tender. Chaos and anarchy in insurance system still exist. By information we got from Parliament’s economic policy commission, all insurance laws are reviewed for elimination of problems.

## **OIL**

### **ON THE EVE OF 10<sup>TH</sup> ANNIVERSARY OF ‘CENTURY’S CONTRACT’**

Razi Abasbeyli

#### **What and why does BP serve?**

10<sup>th</sup> anniversary of contracts, signed on export of Azerbaijan oil to world markets, is to be held. There are 34 days till anniversary of ‘Century’s contract’ signed on September 20 of 1994. Many foreign companies are preparing for this anniversary. By information we got, Azerbaijan government, too, started to implement some measures for holding ceremonies. But there are too less people supporting those who have critical attitude on BP activity in Azerbaijan. BP continues its illegalities in Azerbaijan. Official Baku is already changed to implementer of this company. Head of BP Azerbaijan office David Woodvord gives any declaration and anytime he wants. From point of political conjuncture, company’s position is much more higher than of our government. Almost works are carried out in all fields without agreement of official Baku. Azerbaijan government, despite officially keeping its authorities, could not hold financial check in BP even for one time. Taxes Ministry

did not answer our inquiry. Practice shows that current Azerbaijan government lost its control opportunities on oil production industry during signing of “Century’s contract”. If you remember, once, Taxes Ministry held checks in Russia’s “Lukoil” company. And it was found out that, company, till selling its share in “Century’s contract”, avoided tax amounted 1 billion and 250 million dollar. But despite state’s efforts these money are still not returned. So, they cannot hold checks in BP company in any case. There are more than 20 companies today in “Century’s contract”. At first sight, it seems that there was not a need for involvement of all these companies for production of 252 million tons of oil till end of contract. But while getting acquaintance with names of these companies it becomes clear that most of them are BP’s children. According to disclosure made in the press by Chair of Oil Workers’ Rights Protection Committee Mirvari Gehramanli, local experts counted that, as a result of exploration of oil wells by BP, 300 million tons of oil will be lost for Azerbaijan. After arrival of Heydar Aliyev to power, bp company was operator of 4 projects on Azerbaijan coast of Caspian sea. Just in this issue, there is a big anomaly. Official Baku and Azerbaijani public are not informed on financial accountings of this company. Independent audit has still not been held on investments made by this company. Price of materials and appliances used during exploration and names of firms participated by side of seller, are hidden. Tender terms, announced for implementation of exploration are made in such way that local companies cannot participate here. Company not obeying Azerbaijan laws, brings its employees from abroad. This company, according to obligations it took, must provide transparency in spending funds it allots for public programs but this obligation is violated. They prefer to work with NGOs close to them. BP does not use opportunities of Azerbaijan plants for processing the oil it produces inside. Despite our Oil Refineries are capable to process 22 million tons of oil a year. Simply, this company does not want country’s industrial fields to develop and that is why prefers to process produced oil abroad. Another illegality occurs while analysis of document presented to Azerbaijan public by bp. It is shown in documents that bp company counts price of oil it sells from \$22. Almost all expenses that this company has for explored wells, are free of all types of taxes. In one word, money of bought appliances will come from profit to be obtained till 2007. These profit incomes are counted upon amounts shown above. Price of Azerbaijan oil was not lower than \$35 for a few last years. So, in any case, time for return of bp’s investments, has to end a few years earlier than it is considered. BP, in order to prolong this situation till the time considered in contracts, may exaggerate price of appliances brought from abroad for exploration. As it was mentioned above, official Baku cannot hold audit on these price exaggerations of company. As a result, the Aliyevs, for protecting political power, are deprived of our national resources that they sacrificed in due time. Indeed, this deprivation mostly belongs to Azerbaijan. At least, because the Aliyevs have big experience in robbery of oil considered for internal demand. And it makes billions of dollars...

\*\*\*\*\*

## **FOREIGN POLICY**

### **WHAT DOES FOREIGN AFFAIRS MINISTRY DEAL WITH?**

Mahammad Ersoy

#### **This department does nothing for liberation of Garabag....**

It is more than 10 years that Azerbaijan lands are occupied by Armenia. We write again, we have about 1 million refugees. During the period of Haydar Aliyev's power, ceasefire pact was signed with Armenians. Bribe and corruption exist in all fields. All natural resources of country are occupied by the Aliyevs. In such time, we cannot speak of any international success of Azerbaijan state. This power owns successes achieved during national power that was in power before this and if it cannot manage to own these successes, then, it does not speak of them at all. For instance, during power of national democratic forces, Azerbaijan achieved many successes. By UN resolution, Armenian armed forces had to leave Garabag lands without any term. Still no work is done for their implementation. By special coded information we got, Foreign Affairs Ministry deals with shipping of dirty money of the Aliyevs to abroad. During time of former Foreign Affairs Minister Vilayat Guliyev this process was more intensive. It is shown in document we have that shipments in form of parcels were being transported to foreign countries by general diplomatic corpus of country. By international laws, it is prohibited to open off parcels of diplomatic shipments. A few years ago, USA State Security Bureau starts to analyze sources where dirty money of the Aliyevs collected and their shipping route. Documents linked to all international bank transportations, payments and documentations are checked. Officers, seeing the hard situation, try to get dirty money by Foreign Affairs Ministry out of country. Some country is not entitled to hold check in embassy placed in its territory. Because of this reason, USA FBI could not check Azerbaijan embassies in foreign countries. Moneys of different officers are deposited in Azerbaijani embassies in Switzerland, USA, France, England for long time. Then these moneys, by paying transporting side, are deposited in banks of foreign countries. We received information that after his dismissal, Vilayat Guliyev, with moneys he collected from route transit fees, created building companies in the capital. We found out that 4 16-floored living building that put into service in Mirzaga Aliyev street, belongs to Vilayat Guliyev. Sources that gave information, say that newly appointed Minister Elmar Mammadyarov denies offers of some officers on transport of their moneys.

.....

## **MACHINATION**

### **HOW FIKRAT MAMMADOV AND ILHAM ALIYEV EAT OIL MONEYS?**

Razi Abasbeyli

### **Sometimes, founded joint and affiliate companies have one-week life**

Up to 8,9 million tons of oil is produced a year in Azerbaijan by line of SOCAR. 4,4 million tons of this is spent for internal demand(?). 2,2 million of this is transported to abroad by Baku-Novorosiysk line. Full information on fate of rest 2,3 million tons is not provided. In last issue of our paper, we wrote about theft of this oil by bp company and Azerbaijan government. We had information that some parts of crude oil considered for internal demand are stolen with participation of relevant governmental bodies. This time we were informed on this by Justice Ministry. A man we talked to, informed us on institution for registration of legal persons. He told that there are serious registration problems for owners wanting to create legal person. But by order of high instances of Ministry, hundreds of organizations are registered every week and in very short time their registrations are repealed. Most of them are registered as joint enterprises and affiliate companies to function in oil industry. They are registered in a few hours without any problem. But these enterprises are abolished in a short time. Many of companies that cooperate with SOCAR, participate in oil sale-purchase and transport operations. Then they are repealed because of big scale of money debts. And moneys to be given back to state, are not repaid.

\*\*\*\*\*

### **CITY ECONOMY**

#### **MONEYS STOLEN BY HAJIBALA ABUTALIBOV FROM ROAD AND BUILDING CONSTRUCTION**

Razi Abasbeyli

Both buildings and roads constructed in capital are considered for seasonal use

Finance Ministry started inspections on spending of funds considered for Baku city economy. First, officials were denying this fact but then it was found out that it is true.

Head of Baku administration Hajibala Abutalibov became a target of family media for so long. Also there are many powerful forces inside power trying to get this person out of position. They also are very active for last times. Recently, papers under monopoly of family such as “Yeni Azerbaijan”, “Azerbaijan”, “Hafat ichi”, “Olaylar” published materials against mayor. But writings were stopped at once.

Even then, these papers were writing in benefit of mayor. But there is no doubt that situation was purposefully created and ruled. Of course, certain group was instructing those attackers. Some sources say that H.Abutilibov gave big moneys (bribe) to these papers.

Some repair works are carried out almost every day in certain street of Baku. We took minimum rate of internal market prices of stuff demanded for construction or repair of road. Stuff demanded for road repair, asphalt -1 ton is 1 million and 270,000 manat. Distance is defined with 1 ton of asphalt depending of thickness of road. In practice, while repair of highway in which 5 automobiles pass from every square meter during 24 hours, thickness of newly set asphalt needs to be at least 25centimeter. This size is confirmed 10 days after asphalt is put into operation. We could see some documents confirmed in city administration. Thickness of new asphalt is shown as 23 centimeter in these documents. Despite it is bought from black market, it is shown that every ton of asphalt is bought from a legal person that has name but does not exist, for 2 million and 800,000 manat as raw stuff. Observations we conducted with experts show that thickness of newly set asphalt in repaired roads in Baku is 8-9 centimeter even the same day that it is put into operation. And about after 20-25 days asphalt is the same as it was before. By rules of official documents, highway that is repaired has to be used within at least 13-15 months. Kerim Suleymanov: "Repair of parts under road, not according to considered quality standards, will cause destruction of road in very short time. By information I got, in documents of city administration on road construction, 4 raw stuffs are named road constructions. Only one of them that is called cyrus by people is used. This material needs to be stirred with caoutchouc and its temperature during construction must be taken into consideration. Mazut has to be placed in bottom of new asphalt for prevention of cases such as fall and slip. All these are shown in city hall documents. State budget allots funds for it. But none of these rules are observed. Exaggeration of prices and use of considered stuff cause embezzlement of millions of dollars of budget funds."

\*\*\*\*\*

## **JUSTICE**

### **UNFAIR RELATIVENESS IN JUSTICE SYSTEM**

#### **Metanet Muslumgizi**

Illegalities and corruption in Azerbaijan's governmental structures are not consisted of implementation of only bribe and law offences. Corruption is also existed in recruitment of officers, placement of personnel. Justice Ministry, one of force structures of country, too, is ruled by these principles. We want to mention information that we obtained on recruitment and placement of officers at Main Department on Implementation of Court Decision of Justice Ministry.

Chief of JM MDICD Aydin Gasimov, during his term in this position, hired all officers by criterions of connection. Following list is indicator of all mentioned above.

#### On Main Department Apparatus

##### Secretariat:

1. Shiraliyeva Elnara, justice police head lieutenant – head assistant to Chief of Main Department (close relative)

##### Personnel

1. Guliyev Anar, justice police captain – Deputy Chief of Department (close relative of wife)
2. Isgenderov Bakhtiyar, justice police lieutenant – leading inspector (close relative of wife)

#### Operation department

1. Gasimov Rovshan, justice police captain – leading operation inspector ( son of brother)

#### Correctional issues and social protection department

1. Mammadov Niyazi, justice police colonel – department chief (relative)

#### Special department

1. Mammadov Senan, justice police colonel – leading engineer (relative)

#### Headquarters

1. Mammadov Mohubbat, justice police major - Deputy Chief of Department (fellow-villager)
2. Seyidaliev Seymur, justice police colonel – leading inspector (close relative of wife)

#### Agriculture department

1. Gasimov Arif, civil employee – agronomist (brother)

“Justice” football team

1. Gasimov Eyvaz, civil employee – chief of team (brother)

On enterprises under its subordination

Penitentiary #1

1. Aliyev Mahir, justice police colonel-lieutenant – chief of enterprise (fellow-villager)
2. Asgerov Usameddin, justice police major – chief of regime-control department (neighbor in village and relative)

Penitentiary #4

1. Hajiyev Ismayil, justice police lieutenant – head accountant (brother of Aydin Gasimov and brother of Eyvaz’s son-in-law)

Penitentiary #6

1. Ahmadov Ogtay, justice police major - chief of regime-control department (neighbor in village and relative)
2. Shiraliyev Emin, justice police lieutenant – medical attendant of medical-sanitary part (close relative)

Penitentiary #10

1. Aliyev Iman, justice police captain - chief of regime-control department (son of brother)
2. Namig Aliyev, justice police ensign – controller presenting visit and receiving parcel (brother-in-law of brother Eyvaz)

Penitentiary #11

1. Hasanov Ogtay, justice police colonel-lieutenant – chief of department
2. Hajiyev Jeyhun, justice police main lieutenant – operation inspector (brother-in-law of brother Eyvaz)

Penitentiary #12

1. Piriye Rahim, justice police ensign – controller presenting visit and receiving parcel (brother-in-law)

## Treatment enterprise

1. Shirinov Selaheddin, justice police captain - chief of regime-control department (husband of sister-in-law)

## Commissary Equipment Trade Base

1. Jabbarov Javanshir, justice police major – chief of base (son of close friend)

Note: Many relatives and familiars of A.Gasimov himself, of his wife, of his brothers and of his close persons work as controller and civil employees in different enterprises, organizations, main profitable places of Main Department, in food shops and bread shops in penitentiaries, at Commissary Equipment Trade Base, in buffets and etc.

We think there is no need for additional comment.

\*\*\*\*\*

## PROVINCE

### **ILLEGAL ACTIONS OF HEAD OF SHEMKIR DISTRICT'S EXECUTIVE POWER**

#### **Center for Survey of Public Problems in Media**

Complaint letter signed by 51 residents reflects dissatisfactions about some of illegalities of Head of Shemkir district Executive Power A.Aslanov. Settlement residents who wrote letter, want their problems to be covered in press by help of center.

- Settlement residents write that A.Aslanov does any illegalities in district he wants. Residents, if government does nothing after coverage of their problems in press, will apply to embassies of foreign states in Azerbaijan. Already complaint letter was sent to Georgian President Mikhail Saakashvili.

- Letter says that appliances of wine plants in district, reservoirs, cattle, machines, garages and techniques of kolkhozes are given to his men and for building of market. This is market located in Zayam settlement. He built 3 markets in district along with chief of privatization commission Eldeniz Gafarov, created conflict among businessmen and embezzled big moneys.

- Besides, A.Aslanov cut and sold 5-meter big water pipes coming to Zayam and Sabirkend villages from Kur. That is why Zayam people cannot water their plants.

They write that A.Aslanov along with chief of Zayam village municipality Firudin Aliyev and chair of Sabirkend village municipality Idris Abdurrahmanov uses lands to be given to population, as fruit gardens, cereal plantations, otlag fields. By official documents, residents are owners of these lands since 1996 but A.Aslanov denies to provide them. They applied for many times to chief of Zayam village municipality Firudin Aliyev, Shahbaz Ismayilov, Shemkir district's architect Rustam Rustamov, also to A.Aslanov himself.

- Residents during their meeting with center's employees dealing with study of problem, said that they were told that their lands were sold on order of President's Apparatus.

- Second complaint is on damage made to population by BTC pipeline. Reason for this was again Shemkir Executive Power Head A.Aslanov. 14 peoples, who sent an appeal to us on this issue, say that their lands are impacted by pipeline. But these lands are owned by A.Aslanov and compensations are received by him.

One of complainers Gulzala Seyidova writes that while implementation of land reforms in district, she got land share in Zayam settlement territory. Then her land got under BTC pipeline. Municipality head of Zayam settlement collected passports of lands from villagers. And documentations were renewed and registered in names of relatives of municipality head. In preparation of those documentations, SOCAR employee Yashar Hemidov took active part.

- At the end of complaint letter, 14 Shemkir residents write that if their appeal to government will not be reacted in coming days, they will start massive objection actions. They already started preparations to stop railway line crossing from district territory.

- Experts of bp company that is main operator of BTC pipeline, went to territory. During primal analysis it was turned out that these residents are really landowners. And pipeline passes through their lands. That is why they have to be paid compensations. We try to learn attitudes of all sides on issue. For giving official information on complaints we receive, we plan to address inquiries to Shemkir district executive power by valid legislation acts of country. Inquiries will be sent to other instances.

- \*\*\*\*\*

## **TRAGEDY**

### **ALLOTTED FOR EXTRAORDINARY CASES IS EMBEZZLED?**

Metanet Muslumgizi

Name of State Commission on Extraordinary Cases (SCEC) is called often for last days. And in embezzlement. Some of such disclosures come already from Milli Mejlis building. Thoughts are especially about embezzlement connected to accident happened in Lankaran last year. After primal inspections of SCEC, criminal case started on Lanakaran events. After end of investigation researches, a group of men stood before court. These are director of United Administration of Objects, being built, of State Construction and Architecture Committee Ilham Nesirov, director of "Technical-Industry Construction" Ltd. Zeynal Shikhaliyev, main accountant of "Technical-Industry Construction" Ltd. Vusal Nesirov, chief of "Revan" Ltd. Khalis Dadashov, former deputy of head of Lankaran city Executive Power on city economy issues Zakir Ahadov, former director of architecture and construction department of executive power Asef Huseynov, former chief of Lankaran House Repair Construction Exploration Production Enterprise Nijat Bagirov.

Criminal case is opened in Lankaran city's Prosecutor's Office on fall of building located in V.Abbasov Street in Lankaran on January 29 and death and different body injuries of people. In information on embezzlement in SCEC not only Lankaran accident is mentioned. School in Guba district, polyclinics in Yasamal district of Baku, construction of transmission channels in Bayil slip zone and etc. events are mentioned. By investigation materials, amount of embezzled state money is 467 million and 730,000 manat, damage is 668 million and 973,000 manat. 1 billion 878 million manat was avoided from tax.

Violating contract terms, on December 26 of 2003, contract was signed between "Technical-Industry Construction" Ltd. and "Revan" Ltd. under name of purchase of construction materials by 519 million and 770,000 manat from account of SCEC. According to contract, 514 million and 572,000 manat of this money was transferred to account of "Revan" Ltd. That money was taken cash by receipts written to name of director of "Revan" Ltd. Kh.Dadashov and was shared among him, Z.Shikhaliyev and V.Nesirov. Only 46 million and 841,000 manat of fund was spent for repair of building in Lankaran and secondary school in Guba. Rest 467 million and 730,000 manat was embezzled.

By result of investigation, there were embezzlements in reconstruction works conducted in December of 2003 in building fell in Lankaran. Repair is not suitable to rules of official documents, it was cosmetic. False documents were made for avoiding taxes in 2002-2003 and they were signed by people not working in construction. As a result, 1 billion and 878 million manat was hidden from tax.

\*\*\*\*\*

## **CRIMINAL CASE**

## **ARTUR RASIZADE MAY BE TESTIFIED AT REPUBLICAN PROSECUTOR'S OFFICE**

Metanet Muslumgizi

Former head of Baku city Executive Power Rafael Allahverdiyev is called to Republican Prosecutor's Office. He is being testified on charges made against Faig Mammadov, Eldeniz Lahijov and Mammad Abbasov that were deputies of R.Allahverdiyev during his leadership in city administration. One of crimes is connected to embezzlement of compensations of citizens moved from buildings near USA Embassy. E.Lahijov has already been charged on this case. According to materials of this criminal case, E.Lahijov is accused of excessing his office authorities and embezzling compensations to be given to citizens. R.Allahverdiyev, since the day of calling to Prosecutor's Office, claims that accusations against his deputies are not true and have no ground. He still keeps his attitude.

We think it is important to mention a few details on this case. Issue on enlargement of USA Embassy territory was discussed for long time before evacuation of citizens from those places. Talks were carried out between USA and Azerbaijan officials. By agreement achieved between state officials, contract was signed between two countries. It was signed by prime minister Artur Rasizade from Azerbaijan side. By contract, USA government paid money to Azerbaijan authority.

1 million dollars were given to citizens moved from USA embassy territory. 1 million and 400,000 dollars were spent for reinstallation of communication lines in territory. Main dissatisfaction in this issue raised from lack of moneys given to citizens. R.Allahverdiyev claims that finance allotted from Azerbaijan government to city hall was provided to citizens.

Capital residents whose rights are violated, are in courts for up to 4 years. American side says that money demanded from Azerbaijan government for expansion of embassy's territory was given. But there is one dark issue. There is difference between money allotted from USA government to Azerbaijan government and money given to citizens. They say that amount shown in contracts and paid by USA is more than we mentioned above. Unfortunately USA Embassy in our country and Ministers' Cabinet do not provide any information on this issue. It becomes clear from attitude of former head of Baku administration that there is no difference between moneys allotted to them and given to citizens. Difference exists between funds that government got from America and that was given to Baku administration. It means there is a part of money, received by government that was not given to city hall. This issue can be explained by Ministers' Cabinet, which is responsible for implementation of contract terms. Exactly saying, prime minister Artur Rasizade who signed contract. For now, prime minister was not involved and testified in work of investigation of crime case regarding these issues. Reception of testimony is already necessity.

## **PRESS-FACT**

### **SELECTIONS FROM MEDIA**

Director of “Umid” Ltd. Israil Elyazov gave disclosure on scandal between Ministry of Fuel and Energy (MEE) and them, at the arrangement he held at Baku Press Club yesterday. While wanting to acquire license for gasfilling station of his property located on Bina way, employee of relevant department of Ministry called Rovshan Akhundov demanded \$2000 bribe from him: “I objected it. Because I had paid 2 million and 750,000 manat as state fee.” I.Elyazov made a proceeding against MEE, won 8 million and 975,000 manat for damage made him. But MEE denied to fulfill decision. (“525-ji gazet”, August 4, 2004)

\*\*\*\*\*

Kalbajar refugee Rafiq Khudaguliyev who settled down in Ganja city, told that because of quarrel between neighbors, he and his wife were taken to police station. There police main lieutenant Nijat Humbatov wanted \$100 bribe for closing the case. They gave money but then it was turned out that case was sent to Kalbajar police station.” (“Azadlig” paper, August 6, 2004)

\*\*\*\*\*

“Even son-in-law of Shevardnadze was involved in responsibility and \$15 million was paid for his release. President Saakashvili directed that money to payment of pension debts remained from Shevardnadze time. Total announced amount of finance taken from former corruption men is \$150 million. Increase of tax and customs collections, specially struggle measures for smuggling may be mentioned as other directions of fight with corruption.” (“Yeni Musavat”, August 9, 2004)

\*\*\*\*\*

On August 10, National Army soldier Rustam Rahimov disappeared. His mother says that commanders wanted money from him: “Because he did not give money he was disturbed. Once we gave 400,000 manat to commander for legal vocation. Then we knew that this vocation was his right.” (“Yeni Musavat”, August 18, 2004)

\*\*\*\*\*

“There are names of more than 20 drivers of Transport Department (TD) among “evidences” of accusation in court on 15-16 October events. Taking into consideration that TD “wipes” \$2000 for every automobile, then only one department of Baku administration theft at least \$40,000 from state account. Total amount of money embezzled from 15-16 October events by Baku city hall along with court experts is about \$500,000.” (Yeni Musavat”, August, 2004)

\*\*\*\*\*

“Transport Minister Ziya Mammadov embezzled \$16 million allotted for construction of Baku-Boyuk Kesik air-communication system.” (“Azadlig” paper, August 18, 2004)

\*\*\*\*\*

“Now, land area allocated by Baku executive power to construction companies for construction of private house, is “expensive” for a few times. Before 1 hundred hectare of land was sold for 2-3 thousands of dollars (bribe), now it is 15-20 thousands of dollars. In one word, volume of bribe lifted for 7-8 times.” (“Boz gurd” paper, August 18, 2004)

\*\*\*\*\*

“Bilasuvar resident G.Musayev stated that he was arrested in 1997 on false charge. Prosecutor wanted 5 years imprisonment for him, but judge Mansur Ibayev sentenced for 6 years: “Ibayev wanted \$2000 bribe from my farther. Because we could not give money Ibayev gave harder punishment to me.” (“Yeni Musavat”, August 12, 2004)

\*\*\*\*\*

“Chief of “Agburun” cooperative Ajdar Malikoglu, resident of Garadag district, held press conference at Baku Press Club and talked of obstacles created by Prosecutor’s Office of Garadag district for ownership activity. He stated that district’s Prosecutor, main justice inspector Jeyhun Shirinov makes tortures on him and makes him give bribe: “Prosecutor arranges false complaint writs for implementation of his partial goals. He comes to enterprise and holds illegal inspections. He wanted bribe from me many times and got.” (Yeni Musavat”, August 20, 2004)