

Country press pack

The EU and Azerbaijan

Progress in relations – ENP Progress Report 2009

In 2009 Azerbaijan made some progress in the implementation of the ENP Action Plan, notably in areas related to **economic and social governance**. It maintained a low inflation rate compared with the previous year and stable un/employment levels. The economy fared comparatively well despite the global financial crisis, which allowed the government to increase social spending and capital investment.

Good progress was made on **energy cooperation** on the basis of the Memorandum of Understanding on a strategic partnership in the field of energy, and through Azerbaijan's support for development of the Southern gas corridor including Nabucco. Progress was also made in **aviation** through the signature of the horizontal air services agreement, and in the **fight against money laundering**. However, only limited progress was made as regards the **accession to the World Trade Organisation (WTO)**, a precondition for negotiations on a Deep and Comprehensive Free Trade Area. There was no substantial progress with respect to the **protection of human rights and fundamental freedoms**. Cases of intimidation of journalists and persons critical of the authorities continue to be reported as well as questionable legal proceedings against political activists.

In 2010, further efforts are needed in political dialogue and reforms, including justice and the strengthening of the rule of law, notably the independence of judiciary. Proper implementation of adopted legislation in all areas, continued efforts to fight corruption, notably by enforcing the relevant legislation, are of key importance.

Negotiating directives for a future Association Agreement were adopted by the EU on 10 May 2010.

EU **trade** with Azerbaijan decreased in 2009: EU exports fell by 22.1% and imports by 31.2%, as a result of the global slow-down. The EU is Azerbaijan's main trading partner (53.7 % share in its overall trade in 2008).

2009 Azerbaijan country progress report http://ec.europa.eu/world/enp/pdf/progress2010/sec10_519_en.pdf

Azerbaijan National Indicative Programme (NIP)

An indicative amount of €122.5 million has been allocated to Azerbaijan for its 2011-13 National Indicative Programme (NIP) financed under the European Neighbourhood and Partnership Instrument (ENPI), according to the NIP released by the European Commission. The overall objectives of bilateral EU assistance to Azerbaijan are agreed in the Country Strategy Paper (CSP) 2007-2013.

The priority areas as set out in the NIP are:

- Democratic Structures and Good Governance;
- Socio-economic reform & sustainable development, trade & investment, regulatory approximation & reform;
- PCA (Partnership and Cooperation Agreement) and ENP AP (European Neighbourhood Policy Action Plan) implementation, including in the area of energy security, mobility and security.

[ENPI Info Centre Azerbaijan NIP wrap up](#)

Background: The EU-Azerbaijan Partnership and Cooperation Agreement (PCA) entered into force in 1999, with the goal of promoting respect for democracy, the rule of law and human rights, as well as market economy reforms, trade liberalisation and cooperation in a wide number of sectors. The ENP Action Plan was adopted in November 2006 and its implementation is being monitored principally by the PCA bodies (Cooperation Council, Cooperation Committee and two Sub-Committees).

DG RELEX – Azerbaijan http://ec.europa.eu/external_relations/azerbaijan/index_en.htm

EU-Azerbaijan: Landmark events in 2009

17 December – [European Parliament resolution on Azerbaijan: freedom of expression](#)

12 November – [EU Presidency statement on trial of two Azeri bloggers](#)

26 October – [EU-Azerbaijan Cooperation Council](#)

16 September – [EC to work towards association agreement with Azerbaijan](#)

7 July – [EU signs aviation agreement with Azerbaijan](#)

7 May - [Eastern Partnership launched in Prague](#)

4 May – [Javier Solana meets Azeri president Ilham Aliyev meeting](#)

Find out more...

ENPI Info Centre webpage – Azerbaijan

http://www.enpi-info.eu/maineast.php?id=492&id_type=2

EU Delegation – Azerbaijan

<http://www.delaze.ec.europa.eu/>

Documents

EC Progress Report 2009

http://ec.europa.eu/world/enp/pdf/progress2010/sec10_519_en.pdf

EC fact-sheet 2009

<http://europa.eu/rapid/pressReleasesAction.do?reference=MEMO/10/174&format=HTML&aged=0&language=EN&guiLanguage=>

EU-Azerbaijan Action Plan 2006

http://ec.europa.eu/world/enp/pdf/action_plans/azerbaijan_enp_ap_final_en.pdf

ENPI Azerbaijan Strategy Paper 2007-2013

http://ec.europa.eu/world/enp/pdf/country/enpi_csp_azerbaijan_en.pdf

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Websites – Political and Economic relations

EuropeAid – Azerbaijan country page

http://ec.europa.eu/europeaid/where/neighbourhood/country-cooperation/azerbaijan/azerbaijan_en.htm

DG Economic and Financial Affairs – Azerbaijan

http://ec.europa.eu/economy_finance/international/non_eu/eastern_europe/azerbaijan_en.htm

DG Trade – Azerbaijan statistics http://trade.ec.europa.eu/doclib/docs/2006/september/tradoc_113347.pdf

European Bank for Reconstruction and Development (EBRD) and Azerbaijan

<http://www.ebrd.com/country/country/azer/index.htm>

Material

ENPI Info Centre feature story – EIB in Azerbaijan deal to promote energy-efficient power generation

http://www.enpi-info.eu/maineast.php?id=19293&id_type=1&lang_id=450

OSCE Minsk Process

<http://www.osce.org/item/21979.html>

INOGATE - International energy co-operation programme

<http://www.inogate.org/>

Kura River Basin Management feature Armenia-Azerbaijan-Georgia

http://www.kuraarasbasin.net/EU_KuraAras_webpage/Kura_River_Basin.html

Memorandum of Understanding on cooperation in the field of energy between the European Union and Azerbaijan

http://ec.europa.eu/energy/international/international_cooperation/doc/mou_azerbaijan_en.pdf