

INSTRUCTION

On the rules for receiving and publicizing annual financial reports of political parties upon their review

The Instruction shall regulate the relationships with regard to receiving, investigating and publicizing annual financial reports submitted by political parties in comply with the Election Code of the Republic of Azerbaijan (hereinafter referred to as - Election Code) and the Laws of the Republic of Azerbaijan “On accounting”, “On internal audit” and “Auditor’s service” prepared in accordance with the Law of the Republic of Azerbaijan “On political parties” and the Code of Administrative Offences of the Republic of Azerbaijan, “Rules for the form, content and submission rules of the financial reports (hereinafter referred to as- report) of political parties”, approved by the decision # 263 of the Cabinet of Ministers of the Republic of Azerbaijan, dated 16.11.2012, “Rules for simplified accounting of political parties”, approved by the decision # 238, dated 30.08.2013 and other legislative acts.

1. Requirements on receiving and period of the reports submitted by political parties

1.1 Political parties shall compile and submit financial reports together with auditor’s opinion to the Central Election Commission of the Republic of Azerbaijan (hereinafter referred to as - CEC) annually no later than April 1 with regard to their activity implied in the Charter as stipulated in the Law of the Republic of Azerbaijan “On accounting”.

1.2. The reports shall be compiled in accordance with the “Rules for simplified accounting of political parties” and “Rules for the form, content and submission of financial reports of political parties”, approved by the Cabinet of Ministers of the Republic of Azerbaijan.

1.3. The reports shall be sent or submitted as hard copies or in both versions (hard and soft copies) upon the verification by the authorized persons in a manner defined by legislation.

1.4. A copy of the auditor’s opinion attached to the report shall be sent to CEC by the provider immediately after issuing the opinion.

1.5. The specially-made single electronic base shall be used to ensure receiving and publicizing the reports electronically upon their summarization.

1.6. The reports submitted as a hard copy shall be included in electronic base by preparing its electronic version.

1.7. Notwithstanding the way of submission, the received reports shall be preserved for 5 years in the archive of CEC after preparing their hard and soft copies.

2. Rules for reviewing, summarizing and publicizing the reports

2.1. The review, summarize and publicize of the received documents shall be based on rule of law, fairness, impartiality, neutrality, equal approach, full investigation through equal procedures and principles of non-discrimination, thereby aiming at contributing to establishment of financial activity of political parties in comply with legislation and ensuring transparency.

2.2. Receive, review and publicize of financial reports shall be carried out by the body functioning within CEC (comprised of highly professional and experienced specialists who possess capacity of financial, economical and factual analyze) and in necessary cases with the participation of Control-inspection service under the Commission.

2.3. The foregoing process shall be implemented under the control of CEC and to this end, mutual effective activity shall be ensured between the bodies implied in the item # 2.2 of the Instruction.

2.3.1. The reports shall be publicized upon being posted on the electronic base within one working day after they are received by the Central Election Commission.

2.4. If any incompleteness, inaccurateness, apparent contradictions and other infringements are revealed during the review of reports, political parties and other relevant subjects may be required to submit additional information and documents to ensure the compatibility of the reports with existent financial activity of political parties.

2.5. An opinion shall be provided by the body inspecting every financial report and after undertaking possible activities for meeting with legislation, the information that allows overseeing the actual financial operation of the political party shall also be included in the electronic base. In this case, the information on meeting the deadline defined for submission of reports, the completeness and quality of reports, as well as, the opinion of the political party which has allowed irregularities on those irregularities and their role in the elimination process of shortcomings shall also be indicated (Appendix # 1 to the Instruction). Meanwhile, the information on the general status of the review of financial reports of political parties shall be publicized as a table (Appendix # 2 to the Instruction).

3. Rights and duties of the inspecting body in the process of the review of reports:

3.1. rights:

3.1.1. to require the reports not submitted within the time period defined by legislation;

3.1.2. if the cases of offending the legislation are revealed during the review of the report, to require additional information and documents from the political party and other relevant subjects;

3.1.3. to require a copy of the opinion not submitted to CEC by an auditor, also additional information in the case of questions emerged regarding the submitted opinion;

3.2. duties:

3.2.1. to control the submission of reports in comply with legal requirements and within the period defined by legislation;

3.2.2. to compile an opinion upon receiving and reviewing the submitted reports in a manner defined by legislation;

3.2.3. if the reports are not submitted within the period implied in legislation, to compile and submit the relevant act on that to the CEC administration through the General department of the Secretariat to put into the agenda of the session;

3.2.4. if the results of the investigation of the submitted documents do not meet CEC requirements, to re-conduct the investigation upon the request of the Commission;

3.2.5. if the cases of noncompliance with legal requirements by the political party is revealed basing on the submitted reports, to prepare and submit the information on the relevant irregularities to the CEC administration through the General department of the Secretariat to put into the agenda of the session;

3.2.6. to inform the relevant subjects on receiving or not receiving the reports;

3.2.7. to publicize reports and relevant opinions by including them in the electronic base;

3.2.8. to compile references on the status of submission of reports for periodical discussion at CEC;

3.2.9. to report to CEC.

4. Prevention of violating legal requirements, elimination and responsibility for the occurred infringements and irregularities

4.1. The failure of submitting reports at all, to submit them after the deadline, to submit incomplete reports, also to submit by violating other requirements defined by legislation shall be prohibited.

4.2. The violation of legal requirements may be revealed as a result of the investigation held in different ways and on the basis of the information entered from various sources (according to the auditor's opinion, in the review process

of reports, basing on the appeals and complaints sent by any registered political party and other election actors, the information submitted by the civil society representatives, state structures, media, municipalities, any body and subjects in spite of their property and activity, information available from internet resources, etc.).

4.3. If the political party violates the Laws and other legislative acts of the Republic of Azerbaijan on the financial activity and financial report and these violations can be eliminated, CEC shall address the relevant political party in verbal and written form with the suggestion of eliminating those irregularities within 5 days. In this case, the possibility can be taken into account to regard the reasons of less important infringement as valid which has been committed unintentionally.

4.4. CEC shall report to the Ministry of Justice of the Republic of Azerbaijan on the political parties which have not submitted the reports and auditor's opinions within the period implied in the item # 1.2 of the Instruction.

4.5. The relevant authorized bodies shall be appealed to undertake the appropriate measures on the political parties which have not used the available opportunities to eliminate the allowed shortcomings and irregularities in the reports.

Note: (to the Ministry of Finance of the Republic of Azerbaijan by the Central Election Commission of the Republic of Azerbaijan in comply with Article 3.44 of the Decree # 389 of President of the Republic of Azerbaijan dated August 29, 2000).