

10 April 2013

Mr. Samir Sharifov Minister of Finance of the Republic of Azerbaijan 83, S Vurgun str., Baku, AZ 1022

Dear Mr. Sharifov,

We received your letter of 25 February 2013, in which you explained your government's position on Azerbaijan's performance on the Open Budget Survey 2012. Your office also sent more detailed comments on the individual indicators included in the Open Budget Questionnaire. We reviewed the information and discussed it with our local research partner, the Public Finance Monitoring Center (PFMC), after which we have taken the following actions:

- We have published all the comments sent by your office on individual indicators in the Open Budget
  Questionnaire in a revised version of the Azerbaijan Questionnaire available at
  <a href="http://internationalbudget.org/wp-content/uploads/Azerbaijan Questionnaire OBS2012 GovComments.pdf">http://internationalbudget.org/wp-content/uploads/Azerbaijan Questionnaire OBS2012 GovComments.pdf</a>
  (see the "Government Comment" space under each relevant question).
- We have worked with our colleagues at the Public Finance Monitoring Center on responses to the comments
  your office made on individual indicators in the Open Budget Questionnaire. We have included these responses
  in the aforementioned Questionnaire, which can be read under the "Researcher Response" section.
- 3. We have published your initial letter to us on our website.

We also will send you an Excel file that includes the Survey questions, the original answers provided by our partner research organization (PFMC), the comments received from your office, and the final response provided by the PFMC. We have verified the final responses and comments submitted by PFMC and can certify that they are clear and comprehensive, and aligned with the Survey methodology and guidelines.

In addition, I would like to draw your attention to a crucial feature of the Open Budget Survey methodology that requires the International Budget Partnership to submit the draft questionnaire for each country surveyed to two independent and anonymous peer reviewers. The comments provided by the two peer reviewers for Azerbaijan did not contradict the responses of our primary researcher at PFMC. This comprehensive exercise of crossverifying the data gives us confidence that the result from the Open Budget Survey 2012 for Azerbaijan is accurate.

820 First Street, NE Suite 510 Washington, DC 20002 USA Tel: +1 202 408 1080 Fax: +1 202 408 8173 Xicotencatl 370-601 Del Carmen, Coyoacán, C.P. 04100 México, D.F. Tel: +5255 5658 3165 +5255 5282 0036 The Armoury, 2nd Floor, Buchanan Square 160 Sir Lowry Road Woodstock, South Africa Tel: +27 021 461 7211 Fax: +27 021 461 7213 802 Raj Atlantis Near SVP School, off Mira-Bhayender Road, Beverly Park, Mira Road (E) 401107 Mumbai, India Tel: +91 22 2811 4868 +91 96 6507 1392 As you know, the Open Budget Survey is an independent evaluation of public access to budget information and public engagement in the budget process. It is undertaken by civil society in each country surveyed to assess the level of budget transparency in national governments against internationally agreed upon best practices. In this context, we encourage the Azeri Ministry of Finance to continue a dialogue with civil society in Azerbaijan in order to identify where there are differences on these issues, and to jointly develop areas of reforms that can lead to improvements in the performance of the country in the next Open Budget Index.

Such a conversation was held at the recent Eurasian roundtable on budget transparency in Bishkek (24-25 March 2013), which was attended by both representatives from your office and Azeri civil society.

Once again, I thank you for sending us your comments on the Survey results and for your patience in allowing us to formulate our response. We are glad that the government of Azerbaijan remains keen to continue on the path of promoting greater budget transparency and — together with our civil society partner the Public Finance Monitoring Center — we, too, are committed to fruitful dialogue and mutual respect.

Best wishes,

Warren Krafchik

Director, International Budget Partnership