State Customs Committee of the Republic of Azerbaijan

United Nations Development Programme

Minutes of the "Modernization of the Customs System in the Republic of Azerbaijan" project Project Board Meeting

Baku

29 December, 2011

Attended by:

Mr. Asker Abdullayev, Deputy Chairman of the State Customs

Committee, Director of the "Modernization of the Customs System in the Republic of Azerbaijan"

project

Mrs. Nato Alhazishvili, UNDP Resident Representative a.i;

Mr. Iqbal Babayev, Chief of the Head Department for Statistics and

IT, SCC;

Mr. Shamil Rzayev, Senior Programme Adviser, UNDP

Mr. Mezahir Efendiyev, Project Manager, SCIBM project

Mr. Mushtag Eyyubov, Project Manager, "Modernization of Customs

Services in Azerbaijan"

Mr. Emin Mamedov Project Assistant, "Modernization of Customs

Services in Azerbaijan"

Mrs. Afina Qasimova Project Assistant, "Modernization of Customs

Services in Azerbaijan"

The Project Director/Deputy Chairman of the State Customs Committee of the Republic of Azerbaijan opened the meeting by welcoming the participants and highlighting the good cooperation between the State Customs Committee (SCC) of the Republic of Azerbaijan and UNDP. Mr. Abdullayev noted that the SCC takes the leading place among government bodies in application of ICT and e-governance. He thanked UNDP for its support in project implementation and noted that the first cooperation between SCC and UNDP started in 1999 with the signature of "Capacity Building and Data Transmission Network Implementation for

the State Customs Committee of the Republic of Azerbaijan" joint project between SCC and UNDP.

Mr. Abdullayev also underlined that he is aware of the issue regarding the delays of the Government contribution in amount of 300 000 USD to the project for 2011 which causes delay in installation of the equipment and completion of the establishment of the Target Centre. He said that he had conversation with chairman of the SCC Mr. Aydin Aliyev regarding the transfer of the funds by SCC and received affirmative answer to his request.

He informed the participants that Air transportation belong to the highest level of risks and establishment of the Target Center at the Head Customs Department in Air Transport has a great role in managing the risks associated with air transport and significant value in strengthening of the capacity of customs authorities. Also he noted that creation of the above mentioned centre is one of the stages in improving operations management. New phases of the current project through establishment of such operations management centers at the railway and sea customs departments are envisaged for the future. At the end of his speech Deputy Chairman again assured Mrs.Alhazishvili that SCC will apply all necessary efforts to facilitate implementation of the project.

Mrs. Alhazishvili thanked the Deputy Chairman for his warm welcome. She noted that first part of the year of 2011 was very eventful for the UNDP and its projects and shared her positive impressions on project as well as underlined that "Modernization of the Customs System in the Republic of Azerbaijan" project is one of the important initiatives of UNDP in democratic governance area. Then Mrs. Alhazishvili mentioned that she was very pleased that a New Customs Code was endorsed and successfully adopted as law in November of the current year. She noted that Customs Code was developed in the framework of the first phase of the "Modernization of the Customs System in the Republic of Azerbaijan" project. She also highlighted that current project is aimed not only for development of infrastructure of the SCC but also for development of democratic governance impacting all regions.

The following issues were also discussed during Project Board meeting.

- 1. Adoption of Kyoto protocols in new Customs Code and its influence on development of customs infrastructure.
- 2. Opening of the European Regional Office for Capacity Building of World Customs Organization and its influence to the region.
- 3. Future cooperation prospects between SCC and UNDP.

Conclusions made in the meeting are as follows:

SCC and UNDP will continue effective cooperation within "Modernization of Customs Services in Azerbaijan" and "Integrated Border Management" projects as well as in any new areas of potential interest for SCC and UNDP.

Certified by: Nato Alhazishvili, Deputy Resident Representative UNDP

Certified by:

Mr. Asker Abdulkayev

Deputy Chairman, State Customs Committee of the Republic of Azerbaijan