

Azerbaijan

AT A GLANCE

Main Objectives and Activities

Provide protection and material assistance to asylum-seekers and refugees and strengthen the capacities of the Government and national NGOs to respond to population displacements and requests for asylum; support a limited number of self-sustainable settlements of internally displaced persons (IDPs) unlikely to return in the immediate future; assist ethnic-Azeri refugees from Armenia and formerly deported Meskhetians to integrate and obtain citizenship; and consolidate efforts in health, income generation and community development prior to hand-over to development actors.

Impact

- The Government adopted, with UNHCR support, a national procedure for the determination of refugee status.
- The Government adopted the national Law on NGOs. UNHCR and the Council of Europe jointly provided legal expertise during the drafting of the law.
- The Office interviewed and assisted 3,369 asylum-seekers and 287 refugees; it found lasting solutions for 140 refugees through third country resettlement and 50 through local integration.
- Through legal counselling, UNHCR helped to raise awareness among ethnic-Azeri former refugees and Meskhetians of the procedures for acquisition of Azeri citizenship.
- Two integrated rural settlements were established for 400 families, for completion by the middle of 2001.
- 60,000 specially targeted IDPs in various locations benefited from community-based health care, income gen-



Main Refugee Origin/Type of Population	Persons of Concern			
	Total in Country	Of whom UNHCR assisted	Per cent Female	Per cent under 18
IDPs	572,500	60,000	53	35
Formerly Deported Meskhetians	51,600	17,600	-	-
Russian Federation/Chechnya (Asylum-seekers)	2,500	2,500	-	-
Afghanistan (Asylum-seekers)	876	876	-	-

In addition, some 188,400 ethnic-Azeri former refugees benefited from UNHCR's efforts to promote legal reform.
The number of refugees stood at 287 persons at year's end.

Income and Expenditure (USD)				
Annual Programme Budget				
Revised Budget	Income from Contributions ¹	Other Funds Available ²	Total Funds Available	Total Expenditure
5,770,117	2,465,298	2,944,817	5,410,115	5,410,115

¹Includes income from contributions earmarked at the country level.

²Includes allocations by UNHCR from unearmarked or broadly earmarked contributions, opening balance and adjustments.

The above figures do not include costs at Headquarters.

erating initiatives, primary education and access to drinking water.

- The assistance programme was increasingly linked to that of development agencies to promote the self-reliance of IDPs, and to implement a gradual phase-out strategy through partnerships with United Nations and development agencies. The Reproductive Health programme was handed over to UNFPA.

National NGOs were enabled to take over a larger share of the work in support of IDPs. UNHCR-trained staff at the Executive Office of the Social Fund for Development of IDPs built up the skills required to manage the Fund.

WORKING ENVIRONMENT

The Context

The National Law on Refugees was passed in May 1999. However, neither the means nor the facilities to implement the law have yet been allocated by the Government and UNHCR is obliged to continue to determine refugee status and provide basic assistance. The number of asylum-seekers increased by 50 per cent, mainly owing to the war in Chechnya (Russian Federation), the diminished respect for human rights and deteriorating living conditions in Afghanistan, and the Iranian Government's new restrictive policy towards Afghan refugees and asylum-seekers.

The Nagorno-Karabakh conflict in the early 1990s caused the displacement of more than one million per-

sons in the region. Of these, some 188,000 ethnic-Azeri refugees fled Armenia, crossing into Azerbaijan, and another 570,000 became displaced within Azerbaijan. The parties to the conflict continued to negotiate within the framework of the OSCE; they affirmed the important role of the OSCE/Minsk Group in the search for a settlement. In addition, the Presidents of Azerbaijan and Armenia initiated active direct dialogue. Despite some 16 meetings during the last two years, mutually acceptable compromises have yet to be found.

A large percentage of the IDPs meanwhile have lived in sub-standard conditions for almost a decade. UNHCR is working closely with UNFPA, World Bank, UNDP, USAID, European Union and other partners to arrive at complementary strategies, permitting UNHCR to phase out of humanitarian assistance, leaving its partners firmly established in Azerbaijan and at work in pursuit of their development objectives.

With the support of the World Bank, the Government established the USD 10 million Social Fund for Development of IDPs (SFDI) in October 1999. In 2000, USAID launched a USD 2 million Social Investment Initiative. Both funds give small grants to communities to help them improve their infrastructure (roads, schools, irrigation). To qualify for a grant, the recipient community is expected to contribute 10-20 per cent of the implementation costs. SFDI also provides loans and training for income generation activities.

Constraints

Most of the IDPs have been living in public buildings, camps, railway carriages and haphazardly established settlements for almost a decade. A fragile 1994 cease-fire has largely held. The absence of an agreement between the parties - and the fear of landmines - have thus far precluded the return of IDPs to their places of origin. However, the political, social and economic context does not promise any large-scale integration of IDPs in their current temporary locations.

Funding

Owing to UNHCR's overall funding shortfall, the 2000 country budget had to be reduced by about



25 per cent. This necessitated several adjustments, including the adoption of lower beneficiary targets and the cancellation of some 200 shelters as well as an entire new IDP settlement that had been planned. It also seriously impeded gradual and measured phasing-out of certain activities. The budget cuts adversely affected not only the beneficiaries but also the working relationship between UNHCR and its implementing partners, including the Government. There were successful moves to engage the private sector (notably the oil companies) in Azerbaijan: ENI Group/AGIP agreed to finance an eighteen-month USD 2.2 million integrated settlement project for some 400 IDP families at Khanlar and Beylagan, in the course of 2000-01.

ACHIEVEMENTS AND IMPACT

Protection and Solutions

In the absence of a solution to the conflict over Nagorno-Karabakh, no return has been possible, except to some war-damaged areas. UNHCR's participation in a joint programme with UNDP and the World Bank was concluded in 1999. Its aim was to assist IDPs returning to safe but war-damaged areas, but surveys showed that there was not enough infrastructure in the returnee areas to sustain the return. During 2000, UNHCR concentrated on improving the situation of those IDPs who are highly unlikely to return to their homes in the near future. This was accomplished by improving conditions in the settlements where they reside, thereby increasing their independence of external assistance.

In terms of providing protection and assistance to asylum-seekers, the implementation of the National Law on Refugees remained a high priority. Co-operation with the Government of Azerbaijan centred on providing legal expertise for the implementation of the law and elaborating a fair refugee status determination procedure (RSD). UNHCR initiated working sessions in order to draft guidelines, and in November 2000 the RSD procedure, which encompasses many of UNHCR's recommended principles, was adopted by presidential decree.

In October 2000, the Law on NGOs was adopted, regulating the establishment, registration and *modus operandi* of national NGOs. UNHCR and the Council of Europe had jointly provided expert legal advice during the drafting phase and most of their recommendations were adopted. However, further practical changes will be needed if the Law is to be implemented in an effective way.

In the absence of functioning national structures for RSD, UNHCR received and assisted asylum-seekers and refugees. The number of asylum-seekers increased over the course of the year 2000, from 2,500 to 3,656 persons. Most asylum-seekers originated from Afghanistan, the Islamic Republic of Iran, Iraq, the Middle East and Northern Africa, as well as from Chechnya (Russian Federation). UNHCR actively monitored the situation of these persons to prevent *refoulement*, expulsion and arbitrary arrest. Following UNHCR's intervention, 10 asylum-seekers and two recognised refugees were released from detention.

Special efforts were made to find lasting solutions for refugees (for example, the Afghans) who have already been in the country for many years. After careful consideration of all the evidence, it was concluded that third country resettlement was the most appropriate and viable solution for those who could not be integrated in Azerbaijani society. Third countries accepted a total of 140 cases, and some of these refugees had already departed by year's end. Local integration initiatives were launched to support the others and assistance was extended to some 50 refugee families, mainly long-stayers, to integrate in Azerbaijan.

Under the provisions of the 1998 Law on Citizenship, ethnic Azeris who fled Armenia in the wake of the conflict over Nagorno-Karabakh are eligible for naturalisation, as are Meskhetians. However, the law has not yet been implemented in a comprehensive manner. Moreover, Meskhetians must first renounce their previous citizenship (mainly Uzbek) or register with the Azeri authorities, which is a long process. UNHCR concentrated on legal advice and civic education to raise Meskhetians' awareness of the process. As information about this group is still incomplete, a survey is planned for 2001. Vulnerable Meskhetian refugees were assisted with support for medical care, income generation and community development. By contrast, most of the ethnic Azeris are socially and economically well integrated in the urban areas, and no longer receive assistance from UNHCR.

UNHCR pooled financial resources and expert advice with UNDP and USAID for building the capacity of an interim executive office for the SFDI.

Since 1997, national NGOs have received support to implement and manage assistance programmes for IDPs, as well as to help build civil society and prevent conflict. UNHCR has closely supervised these projects. The NGO Resource and Training Centre (NRTC) was established in 1998. In 2000, UNHCR funded the

NRTC to administer local NGOs involved in implementing quick impact projects for UNHCR.

Activities and Assistance

Community Services: These activities were designed to increase the self-sufficiency of the IDPs in local settlements (without prejudice to their eventual return upon resolution of the conflict). Two integrated settlements were prepared for the accommodation of 400 families and are due to be completed in mid-2001. In order to ensure that this solution to population displacement does not require continued external inputs, the approach was a comprehensive one consisting of newly built housing combined with access to health services, various options for income generation, and facilities for community development and education. The Government provided plots for houses, small gardens, and community development infrastructure. With UNHCR's support, 279 houses were constructed and handed over to selected IDPs. In addition, two primary health care posts, two community centres, a vocational school, five primary schools, and two children's day-care centres were built in the two settlements - and equipped - by UNHCR in co-operation with UNICEF and the national authorities. Communities were mobilised to form support groups to manage the settlements. The project resulted in 404 children gaining access to education, and the training of ten day-care workers, and community-based health care staff, particularly in the area of reproductive health. Youth groups, women's groups and IDP communities were supported through 26 micro-projects specifically aimed at mobilising IDP community initiatives for developing leadership, the identification of needs and problem solving.

Crop Production: UNHCR provided agricultural training for 86 Meskhetian farmers to facilitate their local integration. They were also given seeds, fertiliser and greenhouses. Those IDPs with access to land or other resources were offered agricultural training (or business training; see below) aimed at reducing their dependency on (declining levels of) humanitarian aid. This involved 1,000 families in 13 communities, small grants or loans for 100 families, and 500 greenhouse kits to families.

Domestic Needs/Household Support: Some 2000 vulnerable asylum-seekers and refugees, including those awaiting resettlement or qualifying for local integration, were assisted with cash grants.

Education: UNHCR rehabilitated one boarding school, provided furniture, distributed educational materials and financed the training of 50 teachers, benefiting 900 children. As in previous years, UNHCR funded mobile libraries, which gave 5,000 children and 2,500 adults

access to textbooks, and other educational and recreational materials.

Forestry Some 67,000 seedlings of fruit and other trees were distributed among IDPs and local communities.

Health/Nutrition: UNHCR continued to support national NGOs in the health sector to strengthen their capacity to deliver primary and reproductive health care. Training and awareness-raising on HIV/AIDS and other sexually-transmitted diseases was provided for 115 medical professionals, 73 Health Action Committees and 140 volunteers. Health workers conducted health education campaigns among the local population and IDPs, with UNHCR funding. UNHCR's Regional Health Co-ordinator provided advice while the overall co-ordination of reproductive health care activities in the country was undertaken by UNFPA. The health of IDPs improved as a consequence of small grants for four NGOs delivering primary health care. More than 5,000 people benefited from these initiatives. To conclude the handover to UNFPA of UNHCR's long-standing support for the health sector, UNHCR, UNFPA and two NGOs initiated a national survey on reproductive health, which is continuing into 2001. This should become the basis of a new health information system.

Income Generation: UNHCR's key activities under this sector were designed to improve the livelihood of IDPs and reduce their dependence on humanitarian aid. Micro-credit schemes provided commercial start-up loans and skills training for those with access to appropriate resources. By contrast, grants and vocational training were offered to IDPs living in camps and settlements. Special attention was paid to gender when selecting location and access to economic opportunities. Some 700 small-scale businesses (benefiting 2,500 persons) were supported with grants or loans and 5,000 IDPs (including older teenagers) received skills training. By the end of the year, IDP communities had presented some 100 applications for the rehabilitation of small-scale infrastructure, income generation and employment under the SFID-scheme. Implementation was planned to start in the second quarter of 2001, after the process of project approval has been completed.

Legal Assistance: With the help and advice of UNHCR, the Government adopted in November appropriate procedures for determining refugee status. Pending the creation of structures for implementing the new procedures, UNHCR reviewed 1,461 asylum requests (5,329 persons) and 481 persons received refugee status. A total of 140 cases, for whom local integration was not deemed possible, were accepted for resettlement in third countries.

Livestock: Vulnerable IDP families received five sheep and 300 kg of fodder, as well as veterinary services. A total of 276 families benefited from this project.

Operational Support (to Agencies): Partners implementing UNHCR's programme were assisted with staff costs, logistical and communication facilities, office expenses and, for international NGOs, a fixed percentage for headquarters overhead costs.

Sanitation: UNHCR constructed latrines for 255 single-story houses, 24 duplex houses, and four community buildings. Thirteen water supply units and four bathhouses were constructed in two settlements.

Shelter/Other Infrastructure: Private-sector funding over a period of 18 months permitted UNHCR to construct 255 single-story houses and 24 duplex houses for some 400 IDP families in Khanlar and Beylagan (central Azerbaijan). The project will benefit 400 families and will be completed in 2001.

Transport/Logistics: UNHCR covered the transportation and storage of construction materials, agricultural inputs, livestock and fodder. In addition, the Office covered transportation, storage and distribution of a large in-kind donation.

Water: In an attempt to improve access to drinking water of 13,000 IDPs in Agjabedi, a hydro-geological survey was carried out which showed that only two out

of 20 wells could be rehabilitated. These were rehabilitated and benefited 800 persons.

ORGANISATION AND IMPLEMENTATION

Management

The operation in Azerbaijan was run by 27 staff members (five international, five national, three JPOs and 14 national staff). After the handover of UNHCR'S public health activities to UNFPA at year's end, three UNHCR regional health advisor posts were discontinued. The Vice-Chairperson of UNHCR'S Executive Committee visited Azerbaijan in May to review the operation. In June, the Office of Internal Oversight Services (OIOS) conducted an audit of UNHCR'S financial management and its implementing partners.

Working with Others

Concerted efforts were made to enable government institutions to address the protection and other needs of refugees and the displaced population. UNHCR worked particularly closely with the State Committee for Refugees and IDPs, the Ministry of Labour and Social Protection and with legislative bodies. Co-operation with UN Agencies, in particular with UNDP and UNFPA, and development agencies focused on the transition from humanitarian to development aid, as well as on contingency planning for possible return movements in the event of a political solution to the conflict over Nagorno-Karabakh. Partnerships with NGOs were expanded further, with the aim of increasing their involvement in national development and support to IDPs.

OVERALL ASSESSMENT

UNHCR has been working towards the gradual handover of its assistance to IDPs to development agencies, and to focus on providing protection and assistance to the increasing number of asylum-seekers and refugees. While the absence of a solution to the con-



flict over Nagorno-Karabakh necessitates the continued involvement in, and assistance to IDPs, UNHCR has scaled down the programme considerably while at the same time advocating for the greater involvement of development actors. A concrete outcome was the establishment of the Social Investment Fund for IDPs set up in close co-operation with the World Bank, UNDP and bilateral partners. Reproductive health activities were handed over to UNFPA as planned, which ensures that these activities will now be part and parcel of national development programmes. The shortage of funds limited UNHCR's ability to induce other partners to become more involved. UNHCR's consistent advocacy work was crowned with success with the adoption in 2000 of the Law on NGOs and the national procedure for the determination of refugee status.

Offices

Baku

Partners

Government Agencies

Ministry of Labour and Social Protection
State Committee for Refugees and Involuntary Migrants

NGOs

Danish Refugee Council
Relief International
International Rescue Committee
Adventist Development and Relief Agency
HAYAT International
Children Aid Direct
United Methodist Committee on Relief
UMID, Humanitarian and Social Support Centre

Other

United Nations Development Programme

Financial Report (USD)				
Expenditure Breakdown	Current Year's Projects		Prior Years' Projects	
		notes		notes
Protection, Monitoring and Co-ordination	166,938		2,600	
Community Services	164,272		23,772	
Crop Production	190,562		35,673	
Domestic Needs / Household Support	55,372		14,097	
Education	265,093		80,227	
Forestry	5,706		0	
Health / Nutrition	371,275		165,078	
Income Generation	252,370		38,980	
Legal Assistance	39,530		13,698	
Livestock	71,841		2,167	
Operational Support (to Agencies)	508,135		148,589	
Sanitation	31,126		68,148	
Shelter / Other Infrastructure	590,359		638,765	
Transport / Logistics	36,193		5,125	
Water	30,287		0	
Instalments with Implementing Partners	1,607,552		(1,163,391)	
Sub-total Operational	4,386,611		73,528	
Programme Support	943,020		30,919	
Sub-total Disbursements / Deliveries	5,329,631	(3)	104,447	(6)
Unliquidated Obligations	80,484	(3)	0	
Total	5,410,115	(1) (3)	104,447	

Instalments with Implementing Partners

Payments Made	4,941,675		2,655,276	
Reporting Received	3,334,123		3,818,667	
Balance	1,607,552		(1,163,391)	
Outstanding 1 January	0		1,833,672	
Refunded to UNHCR	0		423,331	
Currency Adjustment				
Outstanding 31 December	1,607,552		246,950	

Unliquidated Obligations

Outstanding 1 January	0		323,634	(6)
New Obligations	5,410,115	(1)	0	
Disbursements	5,329,631	(3)	104,446	(6)
Cancellations	0		205,647	(6)
Outstanding 31 December	80,484	(3)	13,541	(6)

Figures which cross reference to Accounts: (1) Annex to Statement 1 – (3) Schedule 3 – (6) Schedule 6