Twinning Project Fiche

1. Basic Information

1.1. Programme: ENPI 2010
1.2. Twinning number: AZ/13/ENP/TR/27
1.3. Title: Support to the State Agency on Control over Safety in Construction of Ministry of Emergency Situations of the Republic of Azerbaijan in the field of transition to the EU construction standards
1.4. Sector: Trade and Industry
1.5 Beneficiary country: Republic of Azerbaijan

2. Objectives

2.1 Overall Objective
The overall objective of this project is to improve the safety and technical quality of construction in the Republic of Azerbaijan.

2.2 Project Purpose
Support to SACSC in strengthening the national capabilities that are required in the process of approximation of national construction standards with the EU standards.

2.3 Contribution to the Partnership and Cooperation Agreement and ENP Action Plan:

The proposed Twinning project directly supports the ongoing activities aiming at streamlining the cooperation between the EU and Azerbaijan and developing an increasingly close relationship, going beyond past levels of cooperation to gradual economic integration and deeper political cooperation, principally in the framework of the Partnership and Cooperation Agreement and the European Neighbourhood Policy. The Azerbaijani authorities have shown their interest in the approximation and harmonisation of Azerbaijani laws and regulations with those of the EU to help boost the Azerbaijani economy to new levels of competitiveness.

The current Twinning project is implementing the EU - Azerbaijan European Neighbourhood Policy (ENP) Action Plan of 14 November 2006, on the basis of the policy objectives defined in the Partnership and Cooperation Agreement (PCA) entered into force in June 1999, and taking in consideration the Country Strategy Paper (CSP) for Azerbaijan covering the period 2007-2013. The objective of the ENP launched in the context of the 2004 round of enlargement, is to share the EU’s stability, security and prosperity with neighbouring countries, including Azerbaijan, in a way that is distinct from EU membership.

Twinning project will be particularly relevant to the Priority Area 7 of the Action Plan “Further convergence of economic legislation and administrative practices” and actions listed in Chapter 4.5 (Trade-related issues, market and regulatory reform):

- Standards, technical regulations and conformity assessment procedures (the EU harmonised areas);
- Move towards the EU and international legislative and administrative practices for standards, technical regulations and conformity assessment;
• Jointly identify priority industrial sectors for possible legislative approximation including through consultations with producers and exporters. Continue efforts for the completion of the process of translating relevant EU standards in Azerbaijan; examine the scope for Azerbaijan’s participation in relevant European standardisation bodies; harmonise the necessary legislation with EU technical legislation in the priority sectors;
• Simplify procedures of conformity assessment of industrial products, with the aim of avoiding compulsory certification of low risk products and repeat testing;
• Develop market surveillance capacities based on the best practice of the EU Member States.

The project is also contributing to the ENPI – National Indicative Programme 2011-2013 sub-priority’s 4.2.1 specific expected result on regulatory reform: “Progress in approximating and implementing trade and investment legislation and procedures with EU and international laws and standards, in particular in the areas of technical regulations, standardisation (…)”

The project directly contributes to the implementation of the below mentioned activities agreed by the EU and Azerbaijan on PCA:

• “The Republic of Azerbaijan should endeavour to ensure that its legislation will be gradually made compatible with that of the Community” (Article 43);
• “The Parties shall cooperate in the field of construction industry. This cooperation shall, inter alia, aim at modernising and restructuring the construction sector in the Republic of Azerbaijan in line with the principles of a market economy and duly taking into account related health, safety and environmental aspects” (Article 47);
• “Cooperation between the Parties shall promote alignment with internationally agreed criteria, principles and guidelines followed in the field of quality. The required actions will facilitate progress towards mutual recognition in the field of conformity assessment, as well as the improvement of the quality of Azerbaijani products” (Article 50).

Safety and quality of construction in Azerbaijan is expected to increase through the approximation of Azerbaijani construction standards with the EU.

3. Description
3.1 Background and justification:

During last 10 years construction market in Azerbaijan has been highly growing¹.

On January 8, 2009 the Cabinet of Ministers adopted the “Action Plan on improvement of the system of State Construction normative documents of the Republic of Azerbaijan”. Within the framework of the “Action Plan” execution for the purpose of improvement of “State Construction normative documents of the Republic of Azerbaijan”, it is proposed to use the national standards, norms, rules and recommendations of European standards. As well as the

¹ Detailed statistics provided in Annex 5.
EU Member States from the former Soviet Union faced the problems of transition from the Soviet construction standards to the new ones in line with the EU requirements, so Azerbaijan plans to change and harmonize its national construction standards, norms and rules with the EU.

In order to improve the situation several administrative initiatives have been carried out. To better supervise building processes, systematize building regulations and improve construction security effectiveness in all stages of any activity related to construction the State Agency on Control over Safety in Construction of the Ministry of Emergency Situations was established by order No. 511 of the President of the Republic of Azerbaijan on December 29, 2006.

The Code of Urban Planning and Construction of the Republic of Azerbaijan was approved by the Parliament of the Republic of Azerbaijan on June 29, 2012 by the Law No. 392-IVQ and also secondary relevant laws were adopted. The legislative reform introduced a number of innovations in line with international practices.

Although the legal framework in the construction field has been significantly improved, the procedures on the development of the construction standards still have to be clearly defined. Activities of the key project stakeholders (e.g. the beneficiary – the SACSC; the State Committee for Standardization, Metrology and Patent; the State Committee on Urban Planning and Architecture) in practice sometimes overlap and the development of the new construction standards is complicated due to non-existent centralized body (e.g. technical committee) working on that.

The Government of Azerbaijan has already undertaken steps to systematize the development of new construction standards approving Order No. 217 on Improvement of Norms and Rules Regulating the Architectural Activity on September 18, 2008. **Project activities will greatly contribute to the implementation of the mentioned order and will help to further improve the institutional framework in practice, while developing three selected standards: on construction glossary (construction terminology vocabulary); organization of construction works; standard on construction safety and/or alternative or complementary standards, e.g. energy efficiency standard.**

Also the technical committee (Technical Committee) for construction standards is in the process to be established at the State Committee for Standardization, Metrology and Patent. The SACSC will take important role in the Technical Committee, as all the best technical competencies are within the institution. Since the national Technical Committee is not operating yet during preparation of this fiche, non-establishment of the Technical Committee and/or early stage of its operation have to be mentioned as the important risks to the project that have to be assessed.

These taken steps prove that Azerbaijan is seeking to move toward the EU and international legislative and administrative practices for standards. Implementation of this project will be the continuation of the already started activities and will provide the basis needed for approximation of existing legislation in Azerbaijan in construction with the *acquis* as regards the Energy Performance of Buildings Directive (Directive 2010/31/EU) and Construction Products Regulation (305/2011/EU), which repeals the Construction Products Directive (89/106/EEC).
Summing up the above said, the **reasons for initiating this project** and the reasons for approximation of the Azerbaijani technical regulations with the European technical regulations are: political, economical, and technical. **Economically**, the project will facilitate the access of Azerbaijani businesses to the enlarged market and international businesses will easier access the construction market of Azerbaijan. **Technical** reasons arise from the need for replacement of the outdated construction standards, which especially come into play in this period of intensive construction, when many significant buildings are constructed and many foreign investors are investing. Having in mind the fact that Azerbaijan is located in an area with high seismicity, it is necessary to introduce the best international construction practices. The choice to use the European standards as a basis for the improvement of national technical regulation is based on the fact, that the European standards incorporate the best practices from the expertise and research achievements. They provide the highest technical quality and safety in construction sector.

### 3.2 Linked activities

In the recent years, a number of projects financed by different donors have been contributing to the development and strengthening of the Azerbaijani institutions, working in the field of standardisation.

Technical assistance project “Implementation of the European Neighbourhood Policy Action Plan purposes in standardisation field through administrative capacity building in Armenia, Azerbaijan and Georgia” was implemented at the State Committee for Standardization, Metrology and Patent in 2008.

The Twinning Project 2008-2010 “Strengthening of Standardization, Metrology, Conformity Assessment and accreditation in SASMP-Standards Agency Azerbaijan” was implemented at the State Committee for Standardization, Metrology and Patent. Achievements in the field of standardization have to be taken into account. The project was finalised in 2010. The results of this project created institutional structure in the field of standardisation, since draft laws on standardization were prepared during the project.

The State Committee for Standardization, Metrology and Patent is about to implement the second Twinning project “Strengthening the capacity of State Committee for Standardization, Metrology and Patents in Standardization and Certification”.

The two above mentioned Twinning projects at the State Committee for Standardization, Metrology and Patent do not include development of the specific standards on construction; although prepared action plan for the transformation of the standardisation activities according to the EU requirements and completed consultations on organization and management of standards department and technical committees will help Twinning project stakeholder better contribute to project with gained experience and achievements.

Azerbaijan has launched some pilot constructions of energy efficient public buildings and certified a first batch of 11 energy auditors. Within the EU funded regional energy cooperation programme, INOGATE, Azerbaijan is cooperating closely with a specific programme on Energy Savings in Buildings (ESIB).
With respect to the beneficiary, this would be the first project financed by external donors, as there were no specific projects implemented earlier. Thus it would be the first project in the field of specifically construction standards.

It should be highlighted that the Twinning Project must be fully coordinated with the European Commission's activities, notably with regard to the preparation for a Deep and Comprehensive Free Trade Agreement and other donor’s initiatives.

3.3 Results:

Three mandatory results:

1. Road map and Action plan for approximation drafted, accepted by BA and prepared for implementation;
2. Personnel of the SACSC trained and administrative capacities of the SACSC units strengthened;
3. Three national standards drafted, accepted by BA and prepared for adoption.

Indicators of Achievement

When drafting the work plan for this project, the partners (the SACSC and the selected Member State) will develop a set of measurable performance indicators/benchmarks, on the basis of those given in the logical framework (see Annex 1) and the commonly agreed activities and outputs. In order to meet the specific mandatory results of this project, the partners may propose alternative or complementary activities and outputs to those identified in the previous sections.

3.4. Activities

The Twinning will allow to create effectively working construction standards development system, and will shape the future plan for the development of construction standards in Azerbaijan. The Project aimed primarily at creating the first three selected national construction standards on construction glossary (construction terminology vocabulary); on organization of construction works; and selected standard on construction safety and/or alternative or complementary standard that will based on selected EU material and product standards, execution and test standards and design standards. The Project will allow strengthen capacities of the SACSC’s staff in the field of: EU technical regulation principles; drafting the technical documents; work principles in Technical Committee and will allow to develop close relationship with an institution within the EU Member state preparing construction standards.

Commonly agreed activities and outputs will be identified within work plan drafting. In order to meet the specific mandatory results of this project, the partners are welcome to propose alternative or complementary activities and outputs to those mentioned in these sections including workshops, seminars or study visits.

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2 Several MS, in case of a consortium
A.0  General Activities

A.0.1 Kick-off Meeting

A meeting aims at presenting the Twinning Project to the main involved stakeholders and will take place in the beginning of the Twinning Project implementation.

A.0.2 Final Conference

The Conference presenting the main results achieved during the Twinning will take place as final activity.

Activities related to result no 1.

1. Establishment of a working group.
2. Gap analysis of current situation within national construction standards.
3. Recommendation for national construction standards based on the gap analysis to achieve compliance with respect to relevant EU acquis.
4. Drafting possible Road map (strategy) for transition of existing construction standards to the EU standards.
5. Preparation of the Action Plan for harmonization of national construction standards with the EU standards.

Activities related to result no 2.

1. Training needs analysis of all SACSC units involved in elaboration of construction standards (including their personnel and administrative capacities for future membership of the national Technical Committee).
2. Specific training based on training need analysis results.
3. Study visit to MS key institutions involved in elaboration of construction standards.
4. Trainings on principles of technical regulation in the EU.
5. Advice and support the SACSC in reviewing the composition and procedures of the established (or to be established) national Technical Committee for construction standards.
6. Liaison with the relevant Technical Committee of the MS.
7. Study visit to the Technical Committee of the MS.

Activities related to result no 3.
1. Identification of the priority technical standards for approximation.
2. Drafting national standard on construction glossary (construction terminology vocabulary).
3. Drafting one selected national standard on organization of construction works.
4. Drafting one selected national standard on construction safety.

3.5 Means/Input from the MS Partner Administration

3.5.1 Profile and tasks of the Project Leader (PL)

The PL will coordinate the project from the Member State side and attend the Project Steering Committee (PSC) meetings, which will be held in Azerbaijan every three months.

Profile:

- At least 10 years of experience either in the field of construction standards or construction sector technical regulation with good understanding of other subjects. During that period, he/she must be in a senior position in the Member State institution for at least 3 years;
- At least 5 years of practical experience in the field of drafting/applying technical legislation on construction;
- Specific knowledge of the standardization policies and regulations;
- Experience in the field of project management, institutional issues and organisation of national quality infrastructures to the European requirements;
- Excellent command of English.

Tasks:

- Overall coordination, guidance and monitoring of the project;
- Preparation of project progress reports with support of the RTA;
- Co-chairing of PSCs;
- Provision of legal and technical advice and analysis whenever needed;
- Ensuring the achievement on time of the mandatory results;
- Ensuring the availability on time of MS STEs and other MS resources.

3.5.2 Profile and tasks of the RTA

One Resident Twinning Adviser (RTA) over a period of 18 months as well as a team of short term experts will implement the above-listed components. The RTA has the responsibility to guide the work of the team. The short term experts will work in close cooperation with the RTA and the staff in order to meet the specific objectives as set out above.

The RTA is expected to fill the following profile:
• Minimum 5 years of experience in the field of drafting and/or applying construction standards;
• Sound comparative knowledge of the relevant EU legislative and institutional requirements related to the various components of this project;
• Wide knowledge of related good practice/acquis and demonstrated experience on adoption of the EU technical legislation on construction standards into national legislation;
• Solid knowledge of construction standards legislation, work methods and procedures;
• Previous experience in project management would be an asset;
• Good training, public speaking, diplomatic and written communication skills;
• Excellent computer literacy (Word, Excel, Power Point);
• Excellent command of spoken and written English;
• Practical experience gained in the work in Technical Committees would be an asset;
• Azerbaijani or Russian as working language would be an asset;

Tasks:
• Overall supervision of the project implementation and coordination of all activities, as well as management of the project administration;
• Coordination of the activities of the team members in line with the agreed work programmes to enable timely completion of project outputs;
• Technical input to the project whenever needed and provision of advise in his field of expertise;
• Liaison with MS and BC Project Leaders and daily contacts with BC RTA counterpart;
• Co-preparation of project progress reports with Project Leader;
• Liaison with the EU Project Manager;
• Liaison with other relevant projects and Azerbaijani institutions;
• Identification of the right type of standards to be developed together with SACSC representatives and give technical advice;
• Preparation and organization of the missions of the STE.

3.5.3 Profile and tasks of the short-term experts

The short term experts will work in close cooperation with the RTA and the staff in order to meet the mandatory results as set out above.

All short-term experts should have at least 3 years of experience in their field of expertise. In particular, STEs in components 1 and 3 should have at least 5 years’ experience in drafting technical norms, have good writing and presentation skills and be familiar with various approaches in implementation of the EU standards.

STEs in Component 2 and Component 3 should be good communicators and motivators and should have specific knowledge and experience in the EU construction standards, where applicable. They should have good writing, training and presentation skills, be good negotiators. Russian language would be an asset. Experience in the collecting, archiving and exchange of information on technical regulations is necessary at least for one of the STEs.
4. Institutional Framework

With respect to the institutional framework, there are two major institutions working in the field of the construction management in Azerbaijan (see Annex 3):

1. The State Agency on Control over Safety in Construction of Ministry of Emergency Situations of the Republic of Azerbaijan;
2. The State Committee for Urban Planning and Architecture.

The Ministry of Emergency Situations

The Ministry of Emergency Situations (MES) was established by the order of the President of the Republic of Azerbaijan of December 16, 2005.

A Presidential decree on Strengthening the State Control over Construction in the Republic of Azerbaijan, dated August 30, 2007, gave additional authority to the MES to intervene in construction projects. The move was designed to ensure quality standards in construction, hence strengthening governmental control over this sector. The MES ensures that construction regulations are enforced and stops construction activities that do not comply with established standards and norms. The MES implements the given powers through the SACSCS.

Direct beneficiary institution:

The State Agency on Control over Safety in Construction of the Ministry of Emergency Situations of the Republic of Azerbaijan

The beneficiary institution will be the State Agency on Control over Safety in Construction of the Ministry of Emergency Situations of the Republic of Azerbaijan.

The institutional framework (see Annex 4) of the beneficiary is not expected to be seriously modified as a result of the project, though the review of organization’s participation in Technical Committee and functional dissemination between departments is within the scope of the project.

The SACSC was established in the structure of the MES by order No. 511 of the President of the Republic of Azerbaijan on December 29 of 2006. The Agency is an executive body participating in drafting of the state policy related to the safety requirements in all stages of any activity of construction (construction of buildings, roads and bridges). Within its competencies the SACSC ensures implementation of that policy and ensures the official control in that sphere. The SACSC abides by and follows the Constitution, international agreements, and decrees and orders from the President, the Cabinet of Ministers and the MES. The SACSC’s staff and its departments are assigned by the MES. The Chief of the Agency, also assigned by the MES, supervises the SACSC’s activities. The SACSC’s directions and tasks are established by the President. Its main task includes (also see Annex 5):

- To provide recommendations on protection of areas, buildings and facilities from emergency situations as well as legal and marketing expertise in the field;
- To provide safety expertise on land plots planned to be allocated for constructing purposes, land surveying works, and technical terms of architectural design, building
materials and equipment as well as on the acceptance of a completed construction project;

- To participate in state policy development related to formation and implementation of the mechanism ensuring and regulating construction safety.

SACSC is involved in almost all aspects of the construction cycle. In order to get authorization for any construction, the developer has to apply to a local executive body (see the role of local executive body described in Annex 5), which shall then send the projects to the SACSC for expertise for the construction authorization. The local executive body shall review the application on construction within 3 months, taking into account received opinions including the opinion of the SACSC, and shall make a decision on approval or refusal of the construction. The SACSC in its turn ensures state control in all stages of construction of that object, by obtaining information about the approved object. The SACSC also has the right to verify quality during construction at any stage and time. It also has the right to bring court cases against developers and obligate them to undertake the necessary procedures for safe construction.

Each new construction has to meet the requirements of construction norms. The inspecting body for ongoing construction is the General State Construction Inspectorate of the SASCS. The General State Construction Inspectorate of the SASCS oversees the architectural construction inspection in certain categories of construction, depending on the level of responsibility: the 1st – high; the 2nd – standard; and the 3rd – low level of responsibility.

The SACSC has 1188 employees.

**In-direct beneficiary institutions:**

**A: The State Committee on Urban Planning and Architecture**

On February 28, 2006, Presidential Decree No. 1339 established the State Committee on Urban Planning and Architecture (SCUPA). The SCUPA is the central institution that implements State policy and regulations in urban planning and architecture. The SCUPA operates according to the Constitution, laws, decrees and or orders of the President and is financed by the State budget and other sources. The SCUPA is led by a Chairman with two Deputies, appointed by the President. The Board of the SCUPA consists of a Chairman, a Deputy Chairman, the Chief of the Nakchivan Autonomous Republic responsible for urban planning and architecture, and scientists and specialists. The Board members and its size are confirmed by the Cabinet of Ministries.

The SCUPA is responsible for (also see Annex 5):

- Participating in the development of a single State policy on urban planning and architecture, and coordinating its implementation;
- In cooperation with other executive organs, preserving the historical city structure and the national architecture;
- Creating normative methodologies for the State urban planning cadastre;
- Improving the quality and sustainability of architectural design.

**B: The State Committee for Standardization, Metrology and Patent**
The State Committee for Standardization, Metrology and Patent (Committee) will play an important role in the project, particularly, because the Committee, as the National Standardization Body of Azerbaijan, is responsible for the adoption of all the European standards, including the construction standards. It is also important to note that it is a responsibility of the Committee to manage the national Technical Committee on construction standards, which directly is working on drafting required annexes to European standards and adoption of the national standards with the participation of all interested parties and stakeholders (representatives of industry, consumers, building companies, architects, universities, etc., including the representatives of the SACSC, the SCUPA).

All mentioned institutions cooperate in the development of the technical norms and regulations by the Order of the Cabinet of Ministers No. 217 on Improvement of Norms and Rules Regulating the Architectural Activity approved on September 18, 2008. The standards of the construction project documentation (building design and planning) are approved by the SCUPA, and the standards of carrying out construction works, their control and construction materials are approved by the MES and come into effect upon entering the state registration by the State Committee for Standardization, Metrology and Patent of the Republic of Azerbaijan.

Due to the fact that the construction standards are partly developed in close cooperation between the mentioned institutions, it is necessary to foresee the some involvement of the indirect beneficiaries in the project activities related to result No. 2 and 3, the detailed involvement of the indirect beneficiaries has to be agreed while drafting Twinning work plan.

It is presumed that **Twinning project shall contribute to the development of the existing institutional framework** and primarily will help to avoid currently existing duplication of the activities between the institutions involved in the development of the construction standards (e.g. currently there are cases, when the initiated standard is prepared by the distinct body without consulting with technical expertise having authority (e.g. the SACSC) and developed standard is not approved by the experts of the SACSC, which might be avoided by the structured coordination of the technical documents development process). Evaluation of the existing legal framework will also include review of institutional functions, with particular emphasis on the regulation of the activities of the Technical Committee.

**Since the Twinning project beneficiary is sending representatives to the Technical Committee, the increase of the SACSC staff capacities in the field of Technical Committee’s work principles and technical documents preparation processes is significant to the project.**

5. **Budget**

The beneficiary will provide in kind contribution in the form foreseen in the Twinning manual. The maximum total budget available of the action is € 0.9 million.

6. **Implementation Arrangements**

6.1. **Implementing Agency**

The Delegation of the European Union to Azerbaijan in Baku will be responsible for tendering, contracting, payments and financial reporting, and will work in close cooperation with the beneficiary.
The persons in charge of this project are:

Mr. Federico Berna
Head of Operations
Delegation of the European Union to the Republic of Azerbaijan
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PAO will support the Twinning Project implementation process together with the EU Delegation

The person in charge of this project is:

Mr. Sahil Babayev
Director of PAO
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Fax +994 12 598 07 86
E-mail: s.babayev@economy.gov.az

6.2 Main counterpart in the Beneficiary Country:
6.3. Contracts:

A new Financial Regulation applicable to the general budget of the European Union entered into force on 1st January 2013. This implies several changes to the Twinning contract templates. An updated version of the Twinning Manual and of its Annexes, incorporating these changes, is in preparation and shall be published soon on EuropeAid website. The Twinning contract that shall be signed as a result of the present procedure shall follow the templates of the updated Twinning Manual and Annexes.

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4 http://ec.europa.eu/europeaid/where/neighborhood/overview/twinning_en.htm
The project will be implemented through one twinning agreement.

<table>
<thead>
<tr>
<th>Contract</th>
<th>Contract Value (€)</th>
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<tbody>
<tr>
<td>Project: Support to the State Agency on Control over Safety in Construction of Ministry of Emergency Situations of the Republic of Azerbaijan in the field of transition to the EU construction and standards.</td>
<td>€900 000</td>
</tr>
<tr>
<td>Contract = Twinning</td>
<td></td>
</tr>
<tr>
<td>Result 1: Road map and Action plan for approximation drafted; Result 2: Personnel and administrative capacities of the SACSC units strengthened; Result 3: Three national standards prepared for adoption.</td>
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<tr>
<td>Total € 900 000</td>
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6.4 Project Steering Committee

A Project Steering Committee (PSC) will be set up to co-ordinate and manage the implementation of the Twinning Project. The meetings in the PSC will be chaired by the two Project Leaders. The PSC will be formed by representatives of Member State Partner(s), the SACSC, the EU Delegation, the PAO and other main stakeholders.

The PSC will approve the quarterly reports, working plans and provide overall guidance to the project implementation. The RTA should ensure that quarterly reports are submitted to the PSC at least one week before each PSC meeting.

7. Implementation schedule (indicative)

7.1. Launching of the call for proposals (2nd Qtr. 2013)
7.2. Start of the project activities (2nd Qtr. 2014)
7.3. Project completion (2nd Qtr. 2016)
7.4. Duration of the execution period (number of months) 21 months with an implementation period of 18 months (presence of the RTA in Azerbaijan)

8. Sustainability:

The sustainability of the project rests entirely upon the Government of Azerbaijan as a whole in the fostering of a professional, merit based public administration.

In the long-term, the Twinning project is likely to have positive impacts, including:

- Implementation of the road map and the action plan for approximation;
- Provision of support to improved development of the national construction standards through capacity building activities;
• Increased ability of stakeholders of mutual cooperation in their work at the national Technical Committee and with relevant institutions in the EU.

9. Cross cutting issues

9.1. Equal Opportunity

The principle of equal opportunity will be integrated into all stages of the project implementation, as each Twinning Partner is committed to comply with non-discrimination principles.

Implementation of the project will create the preconditions for the better quality in construction and equal opportunities for disabled people to access the facilities; this will be achieved through implementation of the best practices incorporated in the EU construction standards.

9.2. Environment

Twinning project objective is directly focused on the improvement of the quality in construction, this objective is planned to be achieved through approximation of the national construction standards with the EU standards, which include high requirements for environment related construction aspects, including, but not limited to energy efficiency requirements. Thus the project amongst other benefits will create prerequisites for the environment friendlier construction in Azerbaijan.

10. Conditionality and sequencing

Pre-conditions:
• Availability of sufficient staff of the State Agency on Control over Safety in Construction for implementing the activities.
ANNEXES TO PROJECT FICHÉ

1. Logical framework matrix in standard format;
2. List of relevant laws and regulations;
3. Organisational structure of the institutions responsible for the construction works regulation in the Republic of Azerbaijan;
4. Organisational structure of the SACSC;
5. Responsibilities of the bodies responsible for the management of the construction works in the Republic of Azerbaijan;
### ANNEX I - LOGFRAME PLANNING MATRIX FOR twinning fiche
Support to the State Agency on Control over Safety in Construction of Ministry of Emergency Situations of the Republic of Azerbaijan in the field of transition to the EU construction and standards.

<table>
<thead>
<tr>
<th>Programme name and number</th>
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| Total budget: €900,000 |

<table>
<thead>
<tr>
<th>Overall objective</th>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improve the safety and technical quality of construction in the Republic of Azerbaijan.</td>
<td>Positive assessment of the construction standards development of Azerbaijan in the upcoming period</td>
<td>EC annual progress report, Reports of the SACSC, Reports of Standardization Committee</td>
<td></td>
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</tbody>
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<table>
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<tr>
<th>Project purpose</th>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support to SACSC in strengthening the national capabilities that are required in the process of approximation of national construction standards with the EU standards.</td>
<td>Road map and action plan prepared for implementation, New procedures under newly established organizational structure developed and accepted by BA, 3 national standards on construction prepared for adoption</td>
<td>EC annual progress report, Reports of the SACSC, Reports of National Standardization Committee</td>
<td>The Government commitment to the implementation of the EU-Azeri Partnership and Cooperation Agreement. Continued government priority for transition to the EU construction standards. Activities in National Standardization Committee (including the new twinning project) are implemented on time.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Results</th>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Road map and Action plan for approximation drafted, accepted by BA and prepared for implementation</td>
<td>Gap analysis as base for Road map and Action plan drafting provided, Road map - plan for approximation drafted, Action plan for approximation drafted, Legal framework for implementation of the Action Plan drafted</td>
<td>Project reports, Technical reports, Reports of SACSC, Reports of National Standardization Committee</td>
<td>Availability of human resources with the necessary knowledge within the SACSC, Availability of financial resources to fund the Azerbaijani contribution to the budget. Good cooperation between Azerbaijani institutions will continue – especially between SACSC, Standardization Committee and State Committee for Urban Planning and Architecture.</td>
</tr>
<tr>
<td>Activities/Components or input</td>
<td>Means</td>
<td>Assumptions</td>
<td></td>
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<tr>
<td>-------------------------------</td>
<td>-------</td>
<td>-------------</td>
<td></td>
</tr>
<tr>
<td>Personnel of SACSC trained and administrative capacities of the SACSC units strengthened</td>
<td>TNA for all SACSC unit involved in elaboration of construction standards provided and training plan for project period and the following 3 years elaborated</td>
<td>Availability of qualified interpreters and translators.</td>
<td></td>
</tr>
<tr>
<td>Three national standards drafted, accepted by BA and prepared for adoption</td>
<td>At least 25 officials of the SACSC trained according to the training plan in the field of (including, but not limited to) drafting the technical documents; work principles in technical committee</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>At least 8 officials trained in EU Technical regulation principles in construction field</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1 study visit (with 7 participants) in partner MS for learning best experience in elaboration of construction standards provided</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1 study visit (with 7 participants) in partner MS for learning best practice from technical committee of the Member State provided</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Report on approximation technical standards priorities elaborated</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Priority areas for approximation of technical standards identified</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>National standard on construction glossary drafted</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>One selected national standard on organization of construction works drafted</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>One selected standard on construction safety drafted</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Component 1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-------------</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.1 Establishment of working group.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.2 Gap analysis of current situation within national construction standards.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.3 Recommendation for national construction standards based on the gap analysis to achieve compliance with respect to relevant EU acquis on construction standards.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.4 Drafting possible Road map (strategy) for transition of existing construction standards to the EU standards.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.5 Preparation of the Action Plan for harmonization of national construction standards with the EU standards.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.6 Development of legal framework for implementation of the Action Plan.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

RTA, STEs

Necessary Azerbaijani resources available (Human Resources as well as funds for the Azerbaijani contribution to the budget)

Availability of qualified interpreters and translators

<table>
<thead>
<tr>
<th>Component 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1 Training needs analysis of all SACSC units involved in elaboration of construction standards (including their personnel and administrative capacities for future membership of the national Technical Committee).</td>
</tr>
<tr>
<td>2.2 Specific training based on training need analysis results.</td>
</tr>
<tr>
<td>2.3 Study visit to MS key institutions involved in elaboration of construction standards.</td>
</tr>
<tr>
<td>2.4 Trainings on principles of Technical Regulation in the EU.</td>
</tr>
<tr>
<td>2.5 Advice and support the SACSC in reviewing the composition and procedures of the established (or to be established) national Technical Committee for construction standards.</td>
</tr>
<tr>
<td>2.6 Liaison with the relevant Technical Committee of the MS.</td>
</tr>
<tr>
<td>2.7 Study visit to the Technical Committee of the MS.</td>
</tr>
</tbody>
</table>

RTA, STEs

Necessary Azeri resources available (Human Resources as well as funds for the Azeri contribution to the budget)

Availability of qualified interpreters and translators

<table>
<thead>
<tr>
<th>Component 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1 Identification of the priority technical standards for approximation.</td>
</tr>
<tr>
<td>3.2 Drafting national standard on construction glossary (construction terminology vocabulary).</td>
</tr>
<tr>
<td>3.3 Drafting one selected national standard on organization of construction works.</td>
</tr>
<tr>
<td>3.4 Drafting one selected national standard on construction safety.</td>
</tr>
</tbody>
</table>

RTA, STEs

Necessary Azeri resources available (Human Resources as well as funds for the Azeri contribution to the budget)

Availability of qualified interpreters and translators
## List of relevant laws and regulations

<table>
<thead>
<tr>
<th>Title</th>
<th>Number</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Presidential Decree on the Application of the Law No 392-IVQ on Approval of the Code of City Building and Construction of the Republic of Azerbaijan, on its to take into effect, and on relevant legal regulation</td>
<td>695</td>
<td>04.09.2012</td>
</tr>
<tr>
<td>Architectural Activity Law</td>
<td>497-IQ</td>
<td>15.05.1998</td>
</tr>
<tr>
<td>Order of the Cabinet of Ministers on Approval of the State Architectural and Urban Planning Control Regulations</td>
<td>84</td>
<td>21.05.1999</td>
</tr>
<tr>
<td>Presidential Decree on Increase of the State Control in Construction field of the Republic of Azerbaijan</td>
<td>624</td>
<td>30.08.2007</td>
</tr>
<tr>
<td>Presidential Decree on Perfection of the Regulations for Special Authorization (Licensing) for Relevant Fields of Activities</td>
<td>782</td>
<td>02.09.2002</td>
</tr>
<tr>
<td>Presidential Decree on Establishment of the State Committee of the Urban Planning and Architecture</td>
<td>1339</td>
<td>28.02.2006</td>
</tr>
<tr>
<td>Order of the Cabinet of Ministers on Approval of the Action Plan for Improvement in the System of State Statutory Documents on Construction in the Republic of Azerbaijan</td>
<td>7</td>
<td>08.01.2009</td>
</tr>
<tr>
<td>Order of the Cabinet of Ministers on the Approval of the Regulations on Suspension of the</td>
<td>154</td>
<td>4.10.2007</td>
</tr>
<tr>
<td>Title</td>
<td>Number</td>
<td>Date</td>
</tr>
<tr>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>--------</td>
<td>---------------</td>
</tr>
<tr>
<td>Construction Works by State Agency on Control over Safety in Construction of Ministry of Emergency Situation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Order of the Cabinet of Ministers on Approval of the List of the Engineering Research Works of the Buildings and Installations of the 1st and the 2nd level of Responsibility in conformity with the State Standards, “the List of the Works on Designing the Buildings and Installations of the I and II level of Responsibility in conformity with State Standards” and “the List of Construction and Mounting Works of the Buildings and Installations of the I and II level of Responsibility in conformity with the State Standards”</td>
<td>34</td>
<td>27.02.2009</td>
</tr>
<tr>
<td>Order of the Cabinet of Ministers on Approval of the Regulations on the Placement of New Facilities, Re-planning of Buildings and Installations, Making Modifications in Existing Urban-Planning Objects in agreement with Developers and Relevant Executive Power Institutions responsible for approval of the documents</td>
<td>160</td>
<td>04.09.2000</td>
</tr>
<tr>
<td>Order of the Cabinet of Ministers on Approval of the Classification of the Buildings and Installations of I, II and III levels of Responsibility</td>
<td>216</td>
<td>16.09.2008</td>
</tr>
<tr>
<td>Order of the Cabinet of Ministers on Improvement of the Norms and Rules Regulating Urban-Planning Activities</td>
<td>217</td>
<td>18.09.2008</td>
</tr>
<tr>
<td>Order of the Cabinet of Ministers on Approval of the Rules on State Control Phases in Construction Field by the Ministry of Emergency Situations</td>
<td>272</td>
<td>05.12.2008</td>
</tr>
<tr>
<td>Order of the Cabinet of Ministers on the Regulations on Expertise and Approval and Re-approval of the projects (working projects) on Buildings and Installations Construction, and also technical and economical assessment and technical and economic calculation</td>
<td>572</td>
<td>22.10.1992</td>
</tr>
<tr>
<td>Order of the Tariff Committee under the Ministry of Economical Development on “Regulation of the Prices Calculation of the Project Research (Geology) Works in the Republic of Azerbaijan”</td>
<td>2</td>
<td>30.04.2008</td>
</tr>
</tbody>
</table>
Public policy and regulation in the areas of urban planning, design and architecture

The implementation of public policy, management, coordination, regulation and state control over safety in construction

Construction-Installation organizations

Construction materials manufacturing enterprises
ANNEX IV – Organizational structure of the SACSC
Functions of the key subordinated units of the SACSC:

- **General Directorate of State Expertise** – carrying out the state expertise of project design and project-estimation documents for buildings and structures in order to check their correspondence to norms, requirements and relevant regulations, technical conditions, in general, state control of the project design documents and resistance to seismic risks;

- **State General Construction Inspectorate** – carrying out the state control for the construction works of all buildings, relevance of on-going construction works to the confirmed project documents and construction standards and regulations, control of the rules of construction works acceptance;

- **Centre for Construction Pricing** - defining of the estimate cost (value) of the construction works, development and updating of new methodologies and regulations on pricing in the construction, acquisition and analysis of data on the contractual costs of the construction products, the exploitation expenses, construction materials;

- **Joint Directorate of On-going Construction** - restoration, amplification, emergency repairs and construction of new social facilities and infrastructure at the expense of the state budget and extra budgetary funds as a part of measures to eliminate the consequences of emergency situations, design work and the resolution of financial issues for the implementation of these works;

- **Department of Supervision of Engineering, Surveying, Design and Appraisal Works and Coordination** - checking the presence of relevant licences and qualified personnel within entities performing the engineering-research works, verification of conformity and suitability of the research and laboratory equipment, and the availability of special laboratory and the contract concluded with the laboratory, to provide opinions on the possibility of issuing a special permit (license), analysis of the works carried out by individuals and legal entities;

- **State Design Institute “Azerdovlettikintilayihe”** - carrying out project design for the capital construction works, engineering research activities, also carrying out the project design of the industrial objects, organizing and carrying out of the author supervision to the relevant constructions, preparing the methodical-normative documents and recommendations with respect to the control to the safety in construction and other normative construction technical documents;

- **Lead State Design Institute “Azerdovlatlayihe”** – carrying out the research, project-planning, topogeodesic and engineering-geological works, preparation of projects design for extension of existing civil facilities and their technical reconstruction, organization of one-type and experimental projection with a special order in necessary cases, participation in preparation of methodical-technical normative documents, organization and implementation of author control over the construction facilities;

- **Lead State Design and Technological Institute “Azerinshaatlayihe”** - preparation of complex project cost estimation documents for companies in the areas of wine, tea, tobacco processing, bakery, confectionary, meat & milk products, dwelling complexes, sport, health, education, cultural-household and performance enterprises, trade and tourism complexes, dwelling settlements and different facilities with industrial directions, also enterprises to be built, expanded, reconstructed, technically
Support to the State Agency on Control over Safety in Construction of Ministry of Emergency Situations of Azerbaijan Republic in the field of transition to the EU construction and standards

renovated and other infrastructure facilities, units, equipment and systems, organization and appropriate conduct of author control in construction;

- **Utilities Design Institute “Azkommunlayihe”** - research in construction and also in utilities sector and implementation of engineering research works, appropriate organization and conducting of author control over construction, organization of settlement in cities and dwelling points, participation in preparation of engineering and transport provision schemes of industrial regions;

- **S.A.Dadashov Research and Design Institute of Construction Materials** - carrying out the scientific research in areas of construction industry and production of the building materials for the purpose of providing the safety in the construction, experiment testing works, complex analysis of the building materials produced in the country and imported to the country, to give reference in accordance with fixing of the building materials during the examination of the projects of buildings and structures, carry out the tests of the dynamic and static probing in objects of construction, punching and another field exploration.
**ANNEX V**

**Responsibilities of the bodies responsible for the management of the construction works in the Republic of Azerbaijan**

<table>
<thead>
<tr>
<th>No</th>
<th>Name of the body</th>
<th>Responsibilities</th>
</tr>
</thead>
</table>
| 1. | The State Agency for Control over Safety in Construction of Ministry of Emergency Situations of the Republic of Azerbaijan | - participates in the formulation of the state policy on safety requirements in all stages of the construction (buildings, roads and bridges) activities, ensures the implementation of this policy and carries out the state inspection in this area;  
    - makes proposals for the formulation and implementation of the state policy and regulatory mechanism on protection of territories, buildings and facilities from emergency situations and maintaining construction safety;  
    - controls the compliance with construction norms and regulations in planning and construction-installation activities aimed at the protection of the territories, buildings and facilities from natural and technological disasters;  
    - develops the standards on carrying out construction works, their control and construction materials, that are approved by the MES. |
| 2. | State Urban Development and Architecture Committee of the Republic of Azerbaijan | - participates in the formulation of a common state policy on planning and designing urban development and architecture and ensures the implementation of this policy;  
    - maintains the development of this field;  
    - develops and approves the standards on the construction project documentation system. |
| 3. | Local executive bodies                                         | - issue construction permits;  
    - carries out activities to restore residential buildings that are in a state of disrepair;  
    - maintains the implementation of the state policy on architecture and urban development in their respective territory;  
    - controls the urban development activities in accordance with the approved urban development documents and urban development norms and regulations. |
ANNEX VI

Statistics of the construction sector in the Republic of Azerbaijan

Amount of Investment in Construction and Installation Works

<table>
<thead>
<tr>
<th>Year</th>
<th>In thousand manats</th>
<th>In comparison with the previous year, in percent</th>
<th>Special weight in total amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>412 331,7</td>
<td>84,1</td>
<td>42,6</td>
</tr>
<tr>
<td>2001</td>
<td>386 376,0</td>
<td>93,7</td>
<td>33,0</td>
</tr>
<tr>
<td>2002</td>
<td>930 159,0</td>
<td>2,4</td>
<td>44,1</td>
</tr>
<tr>
<td>2003</td>
<td>1 687 180,3</td>
<td>181,4</td>
<td>44,6</td>
</tr>
<tr>
<td>2004</td>
<td>2 488 338,5</td>
<td>147,5</td>
<td>50,5</td>
</tr>
<tr>
<td>2005</td>
<td>3 109 701,8</td>
<td>125,0</td>
<td>53,9</td>
</tr>
<tr>
<td>2006</td>
<td>3 162 232,5</td>
<td>101,7</td>
<td>50,7</td>
</tr>
<tr>
<td>2007</td>
<td>3 856 588,6</td>
<td>122,0</td>
<td>51,6</td>
</tr>
<tr>
<td>2008</td>
<td>5 919 856,5</td>
<td>152,0</td>
<td>59,5</td>
</tr>
<tr>
<td>2009</td>
<td>5 183 035,5</td>
<td>92,0</td>
<td>67,1</td>
</tr>
<tr>
<td>2010</td>
<td>6 569 414,6</td>
<td>119,8</td>
<td>66,3</td>
</tr>
<tr>
<td>2011</td>
<td>7 834 848,1</td>
<td>117,5</td>
<td>61,2</td>
</tr>
</tbody>
</table>

Basic social and economical indicators of construction in the Republic of Azerbaijan⁶

<table>
<thead>
<tr>
<th></th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Put into service:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital funds</td>
<td>1 162 550.8</td>
<td>2 183 096.0</td>
<td>3 415 724.0</td>
<td>4 780 670.3</td>
<td>5 402 472.4</td>
<td>6 035 159.8</td>
<td>8 342 371.1</td>
<td>6 032 292.8</td>
<td>5 961 335.8</td>
<td>10 624 111.8</td>
</tr>
<tr>
<td>Residential areas, common area, thousand square meters</td>
<td>803</td>
<td>1 339</td>
<td>1 359</td>
<td>1 593</td>
<td>1 583</td>
<td>1 616</td>
<td>1 845</td>
<td>1 501</td>
<td>2 049</td>
<td>2 033</td>
</tr>
<tr>
<td>... of on the expense of citizens</td>
<td>662</td>
<td>757</td>
<td>1 112</td>
<td>1 115</td>
<td>882</td>
<td>1 097</td>
<td>1 081</td>
<td>998</td>
<td>1 151</td>
<td>1 652</td>
</tr>
<tr>
<td>Clinics, beds</td>
<td>203</td>
<td>45</td>
<td>160</td>
<td>72</td>
<td>680</td>
<td>320</td>
<td>872</td>
<td>890</td>
<td>886</td>
<td>1 334</td>
</tr>
<tr>
<td>Ambulatories-polyclinics, reception on shift-based</td>
<td>-</td>
<td>67</td>
<td>288</td>
<td>441</td>
<td>480</td>
<td>523</td>
<td>1 142</td>
<td>1 460</td>
<td>710</td>
<td>270</td>
</tr>
<tr>
<td>General education schools, places of schoolchildren</td>
<td>5 298</td>
<td>15 451</td>
<td>20 961</td>
<td>44 668</td>
<td>47 646</td>
<td>83 686</td>
<td>67 413</td>
<td>23 742</td>
<td>19 183</td>
<td>23 488</td>
</tr>
<tr>
<td>Preschools, place</td>
<td>40</td>
<td>96</td>
<td>306</td>
<td>53</td>
<td>150</td>
<td>1 145</td>
<td>5 095</td>
<td>90</td>
<td>1 010</td>
<td>720</td>
</tr>
<tr>
<td>Investment in fixed capital</td>
<td>2 106 976.7</td>
<td>3 786 366.7</td>
<td>4 922 755.9</td>
<td>5 769 876.3</td>
<td>6 234 483.7</td>
<td>7 471 189.9</td>
<td>9 944 153.8</td>
<td>7 724 944.8</td>
<td>9 905 665.8</td>
<td>12 799 061.3</td>
</tr>
<tr>
<td>Amount of works done by construction companies</td>
<td>527 891.6</td>
<td>899 504.2</td>
<td>1 387 970.6</td>
<td>1 558 012.5</td>
<td>2 119 727.3</td>
<td>2 702 402.1</td>
<td>3 785 546.2</td>
<td>3 484 924.7</td>
<td>4 531 384.9</td>
<td>6 115 011.1</td>
</tr>
<tr>
<td>Number of employees in construction on average, thousand persons</td>
<td>52.1</td>
<td>52.5</td>
<td>55.7</td>
<td>58.8</td>
<td>60.0</td>
<td>63.1</td>
<td>71.9</td>
<td>66.0</td>
<td>68.3</td>
<td>78.6</td>
</tr>
</tbody>
</table>

⁶ In factual prices, thousand manats. The State Statistics Committee of the Azerbaijan Republic (http://www.stat.gov.az)