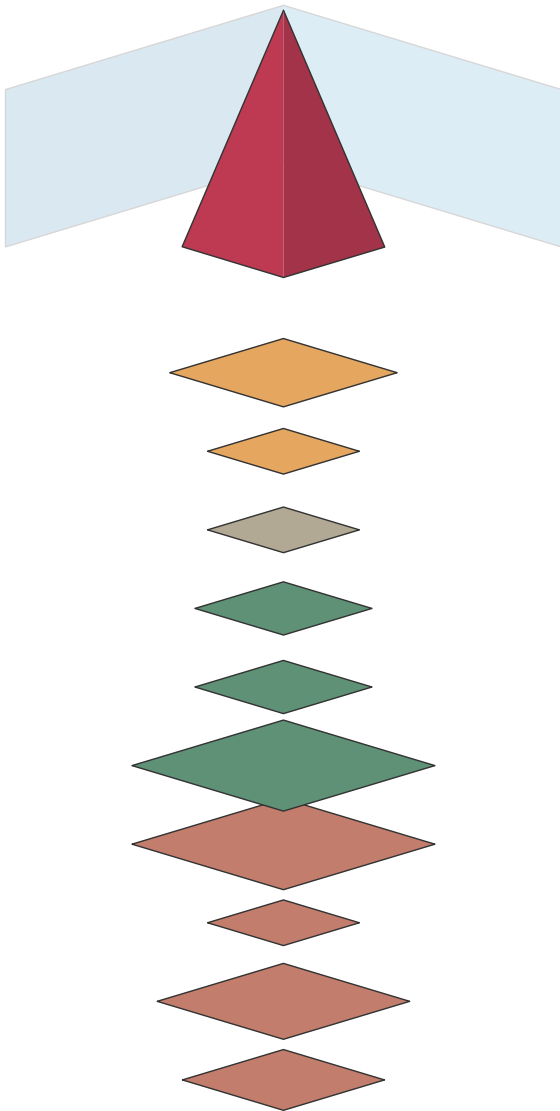


 **AZERBAIJAN**



 **5.08**
CRIMINALITY SCORE

83rd of 193 countries
26th of 46 Asian countries
3rd of 8 Central Asian and Caucasian countries

 **CRIMINAL MARKETS** **4.15**

HUMAN TRAFFICKING	4.50
HUMAN SMUGGLING	3.00
ARMS TRAFFICKING	3.00
FLORA CRIMES	3.50
FAUNA CRIMES	3.50
NON-RENEWABLE RESOURCE CRIMES	6.00
HEROIN TRADE	6.00
COCAINE TRADE	3.00
CANNABIS TRADE	5.00
SYNTHETIC DRUG TRADE	4.00

 **CRIMINAL ACTORS** **6.00**

MAFIA-STYLE GROUPS	5.50
CRIMINAL NETWORKS	5.50
STATE-EMBEDDED ACTORS	7.50
FOREIGN ACTORS	5.50

 **4.08**
RESILIENCE SCORE

128th of 193 countries
27th of 46 Asian countries
5th of 8 Central Asian and Caucasian countries



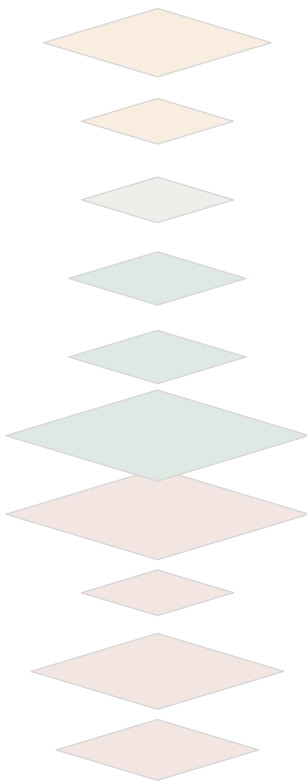
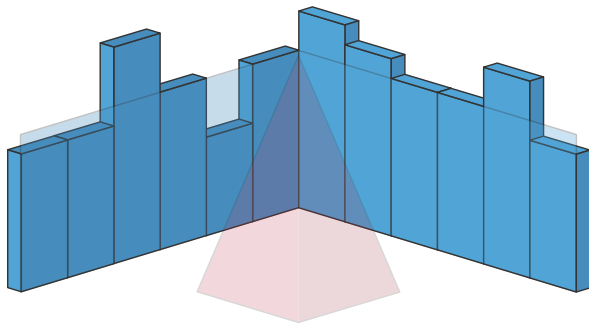
Funding provided by the United States Government.



ENACT is funded by the European Union and implemented by the Institute for Security Studies and INTERPOL, in affiliation with the Global Initiative Against Transnational Organized Crime.



AZERBAIJAN



4.08 RESILIENCE SCORE

128th of 193 countries
27th of 46 Asian countries
5th of 8 Central Asian and Caucasian countries

POLITICAL LEADERSHIP AND GOVERNANCE	3.50
GOVERNMENT TRANSPARENCY AND ACCOUNTABILITY	3.50
INTERNATIONAL COOPERATION	5.50
NATIONAL POLICIES AND LAWS	4.00
JUDICIAL SYSTEM AND DETENTION	2.50
LAW ENFORCEMENT	4.00
TERRITORIAL INTEGRITY	5.00
ANTI-MONEY LAUNDERING	4.50
ECONOMIC REGULATORY CAPACITY	4.00
VICTIM AND WITNESS SUPPORT	4.00
PREVENTION	5.00
NON-STATE ACTORS	3.50

5.08 CRIMINALITY SCORE

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CRIMINAL MARKETS	4.15
CRIMINAL ACTORS	6.00



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CRIMINALITY

CRIMINAL MARKETS

PEOPLE

Human trafficking in Azerbaijan generally takes the form of sexual exploitation and forced labour. Women are particularly vulnerable to sexual exploitation, while men are most likely to be victimized in forced labour. Both male and female victims are trafficked domestically and abroad, usually to Russia, Turkey and the UAE. Although to a lesser extent, children are also victimized, predominately through forced labour and begging. The Azerbaijani government apparently has some established practices that resemble exploitation, such as civil servants being forced to participate in the cotton harvest under threat of their jobs – as well as those of their families – being terminated. Foreign nationals from China, Russia and other former Soviet republics are also victims of trafficking in Azerbaijan and are, in most cases, exploited sexually and through forced labour. Filipino women are reportedly vulnerable to domestic servitude.

Human smuggling dynamics in Azerbaijan are such that the country is mostly a source and transit point for irregular migration. Azerbaijani nationals often use the services of human smugglers to make their way to the EU. Foreign nationals from across the Middle East, Central and South-eastern Asia, on the other hand, are smuggled through Azerbaijan on their way to Russia, Georgia and Turkey, or onward to Europe. Reports also indicate that Azerbaijan is a transit country on a less common smuggling route between south-west Asia and the EU, along which irregular migrants, mostly Afghani nationals, use fraudulent documents rather than clandestine border-crossing strategies.

TRADE

For the past three decades, the disputed Nagorno-Karabakh region was a source of tension between Armenia and Azerbaijan, a situation that escalated into full-scale war in 2020. Although arms trafficking is reportedly extremely limited in Azerbaijan, increased legal arms imports to both countries could possibly nurture an illicit market.

ENVIRONMENT

Flora crimes are, for the most part, not an issue in Azerbaijan, although illicit logging does occur. Notably, mostly locals, rather than organized crime groups, are involved. Azerbaijan hosts a large illicit caviar trade. Caviar sourced in the country is smuggled through Georgia and Turkey into the EU, mainly by land borders, and sold as counterfeit Russian caviar. Most of Azerbaijani revenue comes from oil and gas extraction, a sector riddled with corruption. Along with

enabling the bribery of officials, the sector has allowed Azerbaijani heads of state to sustain patronage networks, which in turn uphold the regime. Many organized crime groups in Azerbaijan take advantage of the lax commercial transportation system in the region and engage in oil theft, subsequently smuggling oil to neighbouring countries.

DRUGS

Azerbaijan appears to be the main transit point for heroin and opium trafficked from Iran and Afghanistan to Russia and the EU. Opium enters Azerbaijan primarily through the country's southern border with Iran and some of it is processed for domestic and regional consumption. A significant domestic demand exists in Azerbaijan. Beyond news of sporadic seizures of cocaine, little information is available on trafficking, which suggests that the cocaine trade in the country is very limited.

Cannabis is grown locally to supply the domestic demand, but the drug has been exported abroad as well. The most likely destinations for Azerbaijani cannabis are Eastern and Central Europe. Since 2013, however, larger quantities of Azerbaijani cannabis have been seized across the southern Caucasus, indicating a possible overall escalation of cannabis originating in Azerbaijan. Similar to its role in the heroin trade, the country is a major transit country for synthetic drugs, especially methamphetamine, coming from Iran and destined for Russia. In recent years, a significant increase in trafficking of synthetic drugs from Iran into Azerbaijan has been observed.

CRIMINAL ACTORS

The repressive and authoritarian government of Azerbaijan, along with the unaccountable, resource-based economy, has contributed to high levels of corruption, which permeates state institutions and obstructs reform. The dominant network, controlled by President Ilham Aliyev and his family, is engaged in political corruption and organized crime to such an extent that the lines between the two are blurred. This network provides patronage to businesses in return for economic gain. Given the overreliance of the Azerbaijani economy on oil and gas extraction, state-embedded actors are for the most part active in that sector. Corrupt officials allegedly influence the democratic processes through pervasive ideological reinforcement, severely restricting the civil and political rights of Azerbaijanis. Stemming from the prominence of state-embedded actors in Azerbaijan and the control they exert, the influence of mafia-style groups in Azerbaijan is, arguably, fairly modest. Limited information points towards the existence of a single mafia-style group, Cigánska mafia, which allegedly has a large membership but whose structure is unknown. The group is supposedly

engaged in heroin trafficking and caviar smuggling as well as extortion, arms trafficking and human trafficking. In spite of open-source information on the organization, further research is needed to corroborate the group's existence.

There is little evidence to indicate that any foreign diaspora in Azerbaijan solely exert control specific criminal market in the country, as most criminally active foreign nationals are members of larger local organized crime groups. Foreign actors, on the other hand, play a large role in Azerbaijan's organized crime markets, with reports of involvement in sex,

labour and drug trafficking operations. Azerbaijani criminal networks also engage in a range of criminal operations, mostly on a domestic level. These groups are also known to participate in cross-border heroin and opiate trafficking with Russian groups, their joint operations running from the southern to the northern Caucasus. Domestic networks are likely to have ties to other groups in Turkey, Iran and the EU as well. Besides heroin, Azerbaijani criminal networks increasingly traffic cannabis across the southern Caucasus.

RESILIENCE

LEADERSHIP AND GOVERNANCE

Azerbaijan's mountainous terrain and strategic positioning at the crossroads of continents make it a prime location for transnational organized crime operations. In particular, the Nagorno-Karabakh conflict makes the Azerbaijan-Armenia borderlands an international hub for various forms of trafficking and smuggling. Yet, political leadership does not demonstrate a real will to combat organized crime. On the contrary, clientelism and patronage persist and are the power base of the authoritarian regime of the Aliyev family and their close circle. Reports suggest that a vertical integration of corruption networks exists in Azerbaijan, where bribes collected as fake fines at the street level are sent upward, pooled together and then distributed down the chain as 'envelope salaries', as they are commonly known. Although the legal framework guiding public access to information is sound, there are apparent transparency issues, with actual access to information being highly restricted.

Azerbaijan is party to all relevant international treaties and conventions pertaining to organized crime, with the exception of the Arms Trade Treaty. In addition, it has signed several extradition treaties, as well as a collaborative agreement with Iran to enhance border security and intelligence sharing in an effort to combat drug smuggling along the Azerbaijan-Iran border. Overall, there has been an increased cooperation between law enforcement agencies in Azerbaijan and their Western counterparts, especially in the field of counter narcotics. National policies and laws are also adequately equipped to tackle cross-border offences. Although it lacks provisions on whistle-blowing, the anti-corruption framework is adequate. Implementation is, however, lacking.

CRIMINAL JUSTICE AND SECURITY

Given the ubiquity of corruption across the state apparatus, the judicial system in Azerbaijan is also highly prone to corruption, with low salaries being a major driver. The executive branch controls promotions and appointments in the judicial system, undermining its work, and uses it to persecute defenders of human rights. As a result, a number of international organizations have condemned the judicial system as corrupt and unwilling to implement meaningful reforms aimed at breaking the status quo. An assessment of treatment of people in custody and conditions of detention has implicated Azerbaijan's temporary detention centre for combating organized crime in potential illegal activities or abuse. The country has functioning anti-organized crime units: the main directorate for combatting organized crime, the main drug enforcement department and the main department on the fight against human trafficking. Nevertheless, lack of sufficient knowledge and training to tackle organized crime, particularly human trafficking, has been identified as an issue in law enforcement, especially outside the capital. First responders fail to follow standard operating procedures or to identify victims of trafficking, thereby limiting their own investigative capacities and their ability to assist victims. Yet, Azerbaijan's geographical positioning at the crossroads of Asia, Africa, Europe and the Middle East, and its shared borders with Iran – one of the world's major drug transit routes – renders the country highly vulnerable to trafficking. Moreover, disputes with Armenia over the Nagorno-Karabakh region complicate territorial sovereignty and limit Azerbaijan's capacity to secure its borders against organized crime.

ECONOMIC AND FINANCIAL ENVIRONMENT

Azerbaijan's weak currency and poorly monitored financial sector, as well as its close proximity to organized crime operations in Afghanistan, Iran and Russia, create a fertile environment for money laundering operations. While some

improvements were made to the anti-money laundering framework, the government has failed to implement the measures. Thus, risk of money laundering and terrorist financing in Azerbaijan is relatively high. Due to the prevalence of bribery, costs to businesses continue to skyrocket. Issues of monopoly cartels, questionable state tenders and procurement fraud as well as poor enforcement of market competition regulations have all posted setbacks for the country's regulatory environment. The business climate in the country, however, is somewhat conducive to doing business because of recent economic achievements and efforts to ease administrative procedures.

CIVIL SOCIETY AND SOCIAL PROTECTION

In spite of a number of positive developments in victim support, Azerbaijan has not increased overall protection efforts. This is evident in the lack of proactive victim identification, and the failure of the government to approve the 2019–2023 national action plan. The ministry of internal affairs has established shelters to assist trafficking victims, providing accommodation as well as financial, legal, medical and psychosocial assistance. Two operational victim assistance centres – in Baku and Goychay – also provide support and employment assistance to officially identified and potential victims of organized crime, with reports boasting efficient reintegration services and cooperation with civil society. On a range of organized crime issues, prevention has been limited to seminars and campaigns to raise awareness. The media situation in the country is dire. The state closely monitors the work of media outlets and subjects journalists and/or bloggers who are critical of the government to harassment, extortion and physical attacks, as well as to detention. Regardless of that sort of treatment, journalists have successfully shed light on illicit activities. NGOs also face considerable obstacles in registering and functioning in Azerbaijan, and allegedly fail to create impact without government cooperation. Critical foreign and domestic NGOs have reportedly had their assets frozen and their offices raided, with pressure coming from repressive laws enacted by the authoritarian government. Similar to journalists, activists are also harassed, intimidated and detained.

This summary was funded in part by a grant from the United States Department of State. The opinions, findings and conclusions stated herein are those of the authors and do not necessarily reflect those of the United States Department of State.