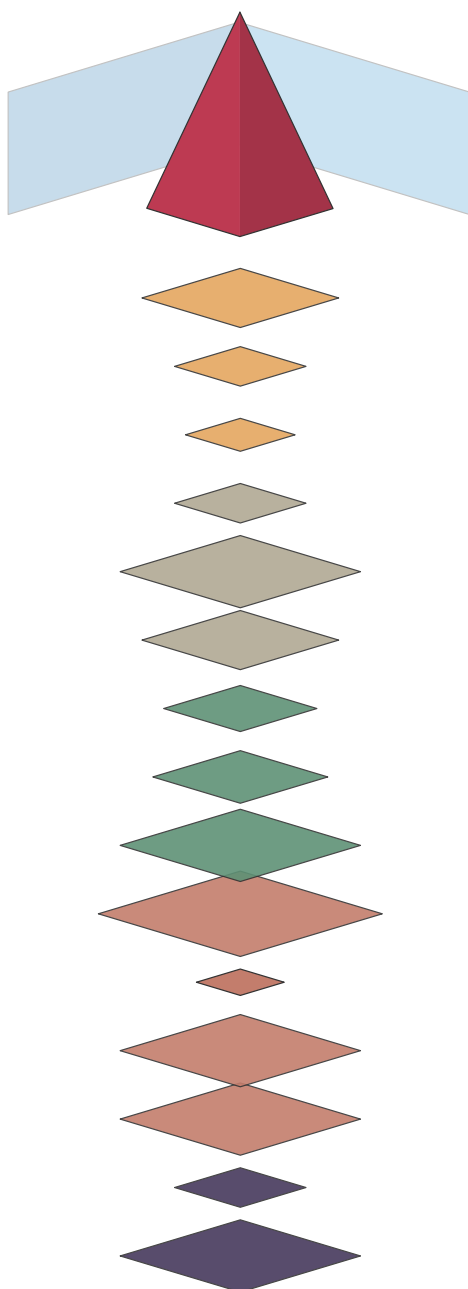


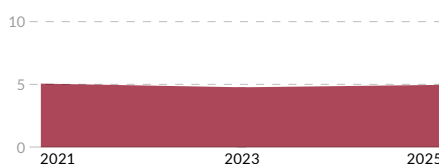


# AZERBAIJAN



5.03  $\nearrow 0.23$   
**CRIMINALITY SCORE**

99<sup>th</sup> of 193 countries  $\nearrow 13$   
29<sup>th</sup> of 46 Asian countries  $\nearrow 4$   
3<sup>rd</sup> of 8 Central Asian and Caucasian countries  $\nearrow 1$



**CRIMINAL MARKETS** 4.27  $\nearrow 0.17$

HUMAN TRAFFICKING	4.50	0.00
HUMAN SMUGGLING	3.00	0.00
EXTORTION & PROTECTION RACKETEERING	2.50	$\searrow 1.50$
ARMS TRAFFICKING	3.00	0.00
TRADE IN COUNTERFEIT GOODS	5.50	$\nearrow 0.50$
ILLCIT TRADE IN EXCISABLE GOODS	4.50	$\nearrow 0.50$
FLORA CRIMES	3.50	$\nearrow 0.50$
FAUNA CRIMES	4.00	$\nearrow 0.50$
NON-RENEWABLE RESOURCE CRIMES	5.50	$\nearrow 0.50$
HEROIN TRADE	6.50	0.00
COCAINE TRADE	2.00	$\nearrow 0.50$
CANNABIS TRADE	5.50	0.00
SYNTHETIC DRUG TRADE	5.50	$\nearrow 0.50$
CYBER-DEPENDENT CRIMES	3.00	0.00
FINANCIAL CRIMES	5.50	$\nearrow 0.50$



**CRIMINAL ACTORS** 5.80  $\nearrow 0.30$

MAFIA-STYLE GROUPS	5.00	$\searrow 0.50$
CRIMINAL NETWORKS	5.50	0.00
STATE-EMBEDDED ACTORS	8.50	$\nearrow 1.00$
FOREIGN ACTORS	6.00	0.00
PRIVATE SECTOR ACTORS	4.00	$\nearrow 1.00$



This project was funded in part  
by a grant from the United  
States Department of State.

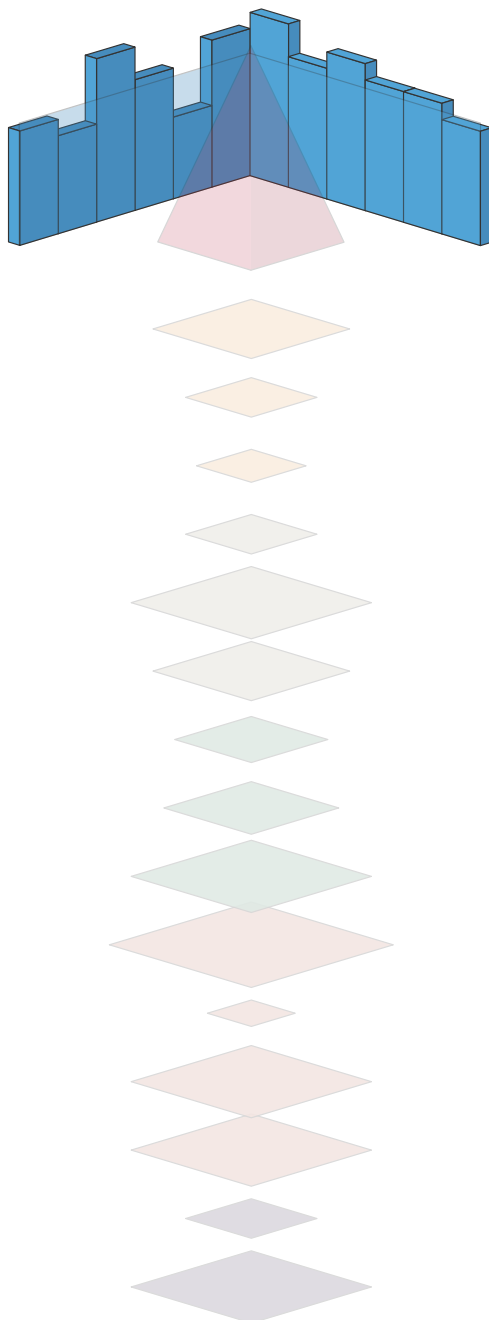


Funded by  
the European Union

ENACT is funded by the European Union  
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affiliation with the Global Initiative Against  
Transnational Organized Crime.



# AZERBAIJAN



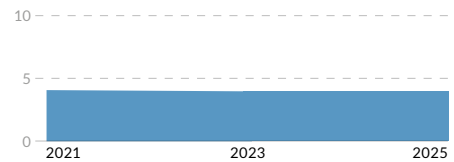
3.96  $\nearrow 0.00$

## RESILIENCE SCORE

131<sup>st</sup> of 193 countries  $\nearrow 3$

25<sup>th</sup> of 46 Asian countries  $\nearrow 3$

4<sup>th</sup> of 8 Central Asian and Caucasian countries -



POLITICAL LEADERSHIP AND GOVERNANCE	3.50	0.00
GOVERNMENT TRANSPARENCY AND ACCOUNTABILITY	3.00	0.00
INTERNATIONAL COOPERATION	5.00	0.00
NATIONAL POLICIES AND LAWS	4.00	0.00
JUDICIAL SYSTEM AND DETENTION	2.50	0.00
LAW ENFORCEMENT	4.50	0.00
TERRITORIAL INTEGRITY	5.00	$\nearrow 1.00$
ANTI-MONEY LAUNDERING	4.00	0.00
ECONOMIC REGULATORY CAPACITY	4.50	0.00
VICTIM AND WITNESS SUPPORT	4.00	0.00
PREVENTION	4.00	$\searrow 1.00$
NON-STATE ACTORS	3.50	0.00



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# CRIMINALITY

## CRIMINAL MARKETS

### PEOPLE

Human trafficking is a persistent issue in Azerbaijan, with the country serving as both a source and a transit point. Most victims are women exploited for sexual purposes, including minors. Azerbaijan's strategic location facilitates cross-border trafficking linked to transnational networks operating across neighbouring and Gulf countries. Domestic cases involve forced labour and begging. Despite a legal framework and institutional measures, enforcement challenges and corruption hinder effectiveness. Notably, international warrants and foreign cases involving Azerbaijani victims underscore the regional scale of the problem.

As for human smuggling, the country serves as both a destination and a transit point, particularly for individuals aiming to reach the EU through irregular means. In the last few years, thousands of undocumented migrants have been detained, with several organized smuggling routes uncovered. Despite legal frameworks and the country collaborating with international partners, enforcement is hampered by corruption and document forgery. Economic pressures and weak border security contribute to persistent border violations, while migrant smuggling increasingly intersects with other crimes, including labour exploitation and financial fraud. Extortion and racketeering are active in Azerbaijan. Despite limited official data and a lack of legal definition, instances of this crime continue to be reported, indicating an enduring problem within the criminal landscape. Official statistics on racketeering are lacking, making it difficult to assess its scale. Nonetheless, available evidence suggests that this criminal activity has declined over the past years, possibly owing to tighter control over the national business sector by influential business groups connected to the country's leadership. These groups exert influence through other mechanisms, rather than relying on racketeering.

### TRADE

Arms trafficking appears persistent and partially institutionalized, involving both criminal and state-linked actors. The country acts primarily as a destination and consumer market, with indications of procurement via both legal and illicit channels, including black-market acquisitions for military use. Arms smuggling often overlaps with other criminal activities, such as drug trafficking, and is facilitated by institutional corruption. Seizures, arrests and resolved cases point to sustained demand and enforcement challenges. Foreign-linked criminal groups

and large-scale arms deals raise concerns over bribery and enforcement vulnerabilities.

The counterfeit goods market in Azerbaijan is consolidated and expanding, with strong ties to imports from China and Türkiye and growing involvement in sectors like clothing, food and household items. The country functions as both a destination and a regional hub, supported by extensive local demand and weak enforcement of intellectual property rights. Criminal actors, including organized networks and individual sellers, operate across the supply chain, which often overlaps with money laundering and corruption. The counterfeit trade is socially tolerated to some extent, particularly among lower-income populations seeking affordability, even though it distorts legitimate markets.

Similarly, illicit trade in alcohol and tobacco is a growing concern in Azerbaijan, with substantial seizures of such products in recent years. Authorities confiscated illicit cigarettes, alcoholic beverages and fake excise stamps, reflecting persistent regulatory evasion. The market is shaped by local demand and regional smuggling, particularly from Iran, with organized groups having a key role. Although enforcement measures have led to intercepted contraband and unsellable items, corruption within state structures hampers progress. Azerbaijan's illicit market is one of the biggest in the south Caucasus. Despite institutional efforts, porous borders, weak governance and entrenched corruption continue to drive illicit trade.

### ENVIRONMENT

Illegal logging in Azerbaijan is largely driven by impoverished local residents who rely on wood for fuel, rather than by organized criminal networks. However, endemic plant species are at risk, and there have been instances of high-value trees being felled and trafficked – occasionally across borders – although on a limited scale. This trade involves construction firms, government employees and local actors, with demand driven by the timber and construction sectors. Enforcement responses are limited, with selective application of forestry laws and reports of bribery, extortion and licensing opacity.

Fauna crimes – particularly illegal hunting, fishing and caviar smuggling – also occur in Azerbaijan and involve organized groups, foreign actors and corrupt officials. In recent years, authorities recorded hundreds of cases involving unauthorized hunting, illegal fishing and the capture of protected species. Sturgeon caviar exports are particularly notable, with seizures of illicit goods at borders highlighting ongoing smuggling. Enforcement is hampered by legal ambiguities, selective implementation, corruption and limited institutional capacity outside protected areas.

Illicit trade in Azerbaijan's oil, gas and gold sectors is facilitated by consolidated criminal networks, some with alleged ties to state-linked actors. Despite regulatory efforts, high dependence on non-renewable exports and corruption creates vulnerabilities. Investigations have uncovered clandestine oil trading networks involving Azerbaijani entities circumventing sanctions on Russian oil, using front companies and shadow tankers. The sector is also affected by legislative gaps, technical complexity and transnational smuggling. Local markets operate alongside legal businesses, complicating detection. Overall, the lucrative nature of the trade and potential official complicity continue to obstruct enforcement and accountability.

## DRUGS

Azerbaijan serves as a key transit country for heroin, with persistent trafficking flows from Iran and Afghanistan towards Russia, Georgia and the EU. Seizures of heroin and opium have remained high over the last years, reflecting sustained activity and the involvement of transnational criminal networks. Sophisticated smuggling methods and corruption among officials challenge enforcement. Foreign nationals, particularly from Iran, Türkiye and Russia, are frequently implicated. Although response efforts have intensified – such as expanded border controls and international cooperation – legal ambiguities and selective enforcement persist. Cocaine trafficking in Azerbaijan is limited but is facilitated by organized, transnational networks using the country as a transit point for European markets. Although seizures are relatively small, representing less than 1% of total drug seizures, past incidents show potential for larger-scale operations. Azerbaijan's strategic location and porous borders, particularly with Iran, support smuggling routes, despite law enforcement efforts.

Cannabis trafficking in Azerbaijan is widespread, with marijuana consistently ranking as the most seized narcotic. Recent seizures reveal large volumes of marijuana, hashish and hemp, reflecting sustained smuggling and domestic cultivation. Criminal groups – including transnational and local actors – use Azerbaijan's transit role and exploit weak oversight. Although cannabis use is illegal, enforcement is challenged by corruption, limited transparency and social normalization in some areas. Synthetic drug trafficking in Azerbaijan is also a persistent issue, with law enforcement reporting consistent seizures of methamphetamine, methadone, MDMA and synthetic opioids. Hundreds of kilograms of synthetic drugs and thousands of pills have been confiscated in recent years, highlighting a well-organized network involving local and transnational actors, including possibly corrupt officials. Azerbaijan functions as both a transit hub and a growing consumer market, with routes connected to Iran and Afghanistan. Despite awareness campaigns and enforcement actions, trafficking persists owing to regional shifts in drug production, professionalized smuggling operations and limited institutional capacity.

## CYBER-DEPENDENT CRIMES

Although the lack of official data hinders a clear assessment of the scope and scale of cyber-dependent crime in Azerbaijan, such incidents do occur, often involving organized networks engaged in various schemes. Attacks have targeted sectors like energy and finance, with incidents tied to foreign actors, particularly from Iran. Furthermore, state-linked surveillance tools and allegations of government involvement blur boundaries between political and financial cyber activities. Despite cybersecurity institutions, enforcement gaps, limited transparency and underreporting continue to enable the growth of this criminal market.

## FINANCIAL CRIMES

Financial crimes in Azerbaijan are widespread and deeply entrenched, involving tax evasion, embezzlement and fraudulent investment schemes. Thousands of financial crimes have been reported during the reporting period, with nearly half involving tax-related offences. Organized networks, corrupt officials and private actors, including NGOs, exploit legal ambiguities and weak oversight. Public corruption remains a major source of illicit funds, often laundered through non-bank entities and offshore structures.

## CRIMINAL ACTORS

Mafia-style groups in Azerbaijan operate with a high degree of secrecy, making it difficult to assess their full scope. These groups, often structured hierarchically and led by dominant figures, engage in arms and drug trafficking, extortion and smuggling. Their activities reach beyond Azerbaijan, notably into Russia, Kyrgyzstan and parts of Europe, exploiting border control weaknesses and asylum procedures. Although they are denied access to highly profitable sectors controlled by elite business clans, they maintain influence in smaller illicit markets. Alleged ties between criminal actors and state officials further entrench their operations, complicating countermeasures. Access to firearms and other weapons facilitates their capacity to maintain control and expand across multiple criminal sectors, both domestically and transnationally.

Criminal networks in Azerbaijan engage in a wide array of illicit activities, including drug and arms trafficking, human trafficking, counterfeit goods trade, cybercrime and environmental crimes. These networks are embedded at both local and national levels, particularly in urban areas, and exploit systemic vulnerabilities such as enforcement loopholes and border control weaknesses. Although violence levels vary by activity, drug trafficking and human trafficking may involve moderate violence, whereas financial and cybercrimes tend to rely on deception. Transnational links are evident, especially in trafficking and cybercrime operations. Some networks specialize in resource exploitation, including illegal fishing and wildlife trade. The sophistication of operations, particularly in financial fraud and cybercrime,

points to organized and coordinated structures with reach beyond Azerbaijan's borders.

Criminality in Azerbaijan is shaped by entrenched corruption, with a vertically integrated system allegedly controlled by the ruling elite. State influence over illicit markets varies, with greater control observed in arms trafficking, while corruption undermines oversight in drug trafficking and human smuggling. Government-linked oligarchs benefit from opaque procurement systems, notably in construction, facilitating large-scale embezzlement. Corrupt officials within law enforcement and regulatory bodies often enable transnational crimes, including human trafficking and financial fraud. Collusion between officials and criminal entities blurs boundaries between licit and illicit spheres, complicating enforcement and reinforcing state-enabled criminal economies.

Foreign criminal actors, notably from Iran, Türkiye, Russia and Georgia, have a significant role in various illicit markets. Iranian networks are heavily involved in heroin trafficking, while Turkish actors influence human smuggling operations and Russian nationals engage in financial crimes through regulatory exploitation and fraud. They often collaborate with local networks, particularly in drug and arms trafficking.

Urban centres and border regions serve as key hubs for foreign criminal operations, facilitated by porous borders and weak controls. In addition, tourists, especially from Arab countries, have been implicated in wildlife crimes. Some foreign actors operate independently, while others are embedded in transnational networks, with a strong presence in synthetic drug production and distribution.

Organized crime in Azerbaijan leverages private-sector channels – particularly real estate, construction, finance and hospitality – for money laundering and other illicit activities. Criminal networks infiltrate legitimate businesses, use shell companies and offshore accounts, and exploit regulatory loopholes to move illicit proceeds across borders. High-profile cases illustrate the scale of these operations and the involvement of politically connected individuals. Private actors also facilitate irregular migration, smuggling and the trade in counterfeit and excisable goods. Sectors such as construction and tourism are linked to environmental crimes, including illegal logging and wildlife hunting. Fraudulent investment schemes, sometimes involving NGOs and foreign entities, further highlight vulnerabilities in oversight and regulation within Azerbaijan's private sector.

# RESILIENCE

## LEADERSHIP AND GOVERNANCE

Azerbaijan faces persistent governance challenges marked by centralized political control, limited civil liberties and systemic corruption, constraining its capacity to address organized crime. Although state rhetoric condemns organized crime and legislation has been introduced to improve cybersecurity, enforcement is inconsistent, and broader crime fighting remains a secondary priority. Power is concentrated in the executive, limiting institutional transparency and accountability. Allegations of state-criminal collusion persist, including suspected ties with foreign actors. Peace efforts in the region are fragile, hindered by unresolved territorial disputes and ongoing regional militarization.

Despite legislative and institutional efforts, Azerbaijan continues to face significant transparency and corruption challenges. Government measures such as anti-corruption campaigns and national action plans have been implemented, but are criticized for selectively targeting lower-level officials while shielding elites. Furthermore, legal provisions on corruption lack whistle-blower safeguards and detailed regulations for foreign public officials, indicating areas needing further legislative clarification and alignment with international standards. Civil society and media actors face

harassment and restrictions, undermining independent oversight. Access to official data is limited, hindering public scrutiny. Although the legal framework for information access is relatively robust, broad exceptions and weak protections for whistle-blowers reduce its effectiveness. Allegations of illicit enrichment by officials persist, with international investigations highlighting financial misconduct. The rule of law and judicial independence pose critical gaps in addressing entrenched corruption.

Azerbaijan demonstrates formal commitment to international cooperation on organized crime through treaty ratifications, bilateral agreements and participation in global initiatives. It has enhanced collaboration with foreign law enforcement, particularly on drug and human trafficking, and adopted laws to combat trafficking and corruption. The country has improved anti-money laundering compliance and engages in training and intelligence-sharing with partners. However, limited data transparency and corruption concerns hinder trust and information exchange. Azerbaijan's cooperation includes extradition treaties and joint operations with states such as Russia, Iran and India. Recent meetings with international actors underscore its intent to strengthen cross-border security, although data-sharing practices remain restricted.

Azerbaijan's legal framework addresses organized crime, human trafficking, child exploitation and environmental protection, but implementation gaps and definitional ambiguities remain, enforcement is inconsistent and preventive legislation is often not integrated with criminal law. For instance, wildlife protection laws exist, including fines and restrictions under the Environmental Protection Law and related decrees, yet wildlife protection receives limited legal attention.

## CRIMINAL JUSTICE AND SECURITY

Azerbaijan's judiciary faces serious challenges related to independence, political interference and due process violations. The executive branch exerts significant control, influencing politically sensitive trials and undermining fair trial rights. Arbitrary arrests, denial of legal representation and reports of torture are prevalent, with limited accountability. Human rights lawyers face disbarment and intimidation, restricting access to impartial defence. Courts often rely on coerced confessions over evidence, and constitutional safeguards such as interpretation services are inconsistently upheld. Despite recent reforms aimed at improving transparency, systemic corruption and abuse persist within the penitentiary system. Detainees, including political prisoners and war-related detainees, frequently report ill-treatment, poor prison conditions and a lack of medical care.

Azerbaijan's law enforcement structure includes multiple departments, with some efforts targeting organized crime and human trafficking. Although legislation emphasizes rights-based policing, concerns persist over misconduct, limited oversight and systemic abuse. International training and cooperation have supported reforms, but long-standing issues, including torture, corruption and politically motivated misuse of law enforcement tools, remain unresolved. For instance, allegations of fabricated drug charges against critics and minorities undermine public trust and anti-drug initiatives. The Ministry of Interior's legacy framework and overlapping agency functions hamper efficiency. Reports highlight misuse of international mechanisms for political reprisals and entrenched impunity for abuse. Despite the implementation of anti-trafficking programmes and external support, fundamental institutional weaknesses persist, raising concerns about the integrity and accountability of Azerbaijan's law enforcement system.

Azerbaijan faces ongoing challenges in border control, particularly owing to its geopolitical location and proximity to criminal markets. Recent territorial consolidation has improved security and infrastructure, but vulnerabilities persist, including corruption among border officials and gaps in surveillance. The border with Iran is a key concern owing to smuggling and trafficking routes. Azerbaijan lacks a central authority for cybersecurity oversight, weakening its digital defences. Despite these issues, the country engages in international cooperation, such as the World

Customs Organization Container Control Programme. In 2024, intensified enforcement led to significant narcotics seizures and arrests of individuals involved in smuggling and trafficking, including attempts to traffic drugs via air routes.

## ECONOMIC AND FINANCIAL ENVIRONMENT

Azerbaijan has made notable progress in developing its framework for anti-money laundering and countering the financing of terrorism, achieving convictions for terrorist financing and advancing legal reforms. However, regulatory oversight remains weak, particularly in the banking sector, with concerns over political influence and private-sector compliance. The country is not on the Financial Action Task Force's watchlist but remains vulnerable owing to its strategic location. Enforcement gaps persist in identifying beneficial ownership and preventing misuse of legal entities. Azerbaijan has participated in international operations targeting illegal gambling and money laundering, but lacks robust non-penal asset confiscation tools.

The country has made progress in economic reform and modernization, but systemic corruption and limited judicial transparency hinder development. Despite increased trade openness and regulatory measures, politically connected elites dominate key sectors through state-awarded contracts that lack oversight. Cross-border trade is burdened by bribery and informal payments. Property rights are poorly enforced, with forced evictions and labour exploitation having been reported. The state's rentier economy sustains loyalty through patron-client networks. Infrastructure spending, often allocated to oligarch-linked firms, has failed to yield long-term economic gains. Although initiatives such as the National Anti-Corruption Strategy have potential, governance weaknesses and elite control over resources undermine equitable development.

## CIVIL SOCIETY AND SOCIAL PROTECTION

Azerbaijan has taken steps to combat human trafficking, including legal reforms and increased victim assistance funding, but systemic issues persist. Victim identification is inconsistent, particularly for children and internal trafficking cases. Civil society offers some support, although stigma and underreporting remain barriers. Law enforcement shows gradual improvement in victim-centred approaches, but funding limitations and the lack of child-specific protections hinder comprehensive support. Investigations are often reactive, with reports of police collusion in commercial sex operations. In addition, state-funded free drug treatment centres lack long-term psychosocial rehabilitation programmes and tailored treatments, as both younger and older users are generally treated together.

The country has maintained prevention efforts for certain criminal markets. Efforts have included awareness campaigns and some NGO engagement, but inter-agency coordination is weak. The government operates a hotline and funds

prevention activities, yet the impact on investigations is limited. Broader structural challenges, including gender inequality, hinder comprehensive anti-trafficking efforts.

Civil society organizations in Azerbaijan have a vital role in supporting trafficking victims and promoting legal reform, but operate under severe restrictions. Cooperation with law enforcement is limited and state pressure on NGOs and the media is widespread. Journalists and activists face harassment, travel bans and politically motivated prosecutions. In 2024, several high-profile journalists were detained or sentenced, whereas others were released under international scrutiny. Press freedom continues to deteriorate and laws criminalizing online dissent remain in use. Despite collaboration with international organizations, the state's repressive approach towards dissent undermines broader anti-crime and human rights efforts.

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*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.*