

**THE SECURITY, ECONOMIC, AND HUMAN RIGHTS  
RELATIONS DIMENSIONS OF U.S.-AZERBAIJAN  
RELATIONS**

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**HEARING**  
BEFORE THE  
**COMMISSION ON SECURITY AND  
COOPERATION IN EUROPE**  
ONE HUNDRED THIRTEENTH CONGRESS

SECOND SESSION

JUNE 11, 2014

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# THE TRAJECTORY OF DEMOCRACY—WHY HUNGARY MATTERS

JUNE 11, 2014

COMMISSION ON SECURITY AND COOPERATION IN EUROPE,  
*Washington, DC.*

The hearing was held from 10:11 a.m. to 11:46 a.m. EST in Room 432 Russell Senate Office Building, Senate Room 210–212, Washington, D.C., Senator Benjamin L. Cardin, Chairman of the Commission on Security and Cooperation in Europe, presiding.

*Commissioners present:* Hon. Benjamin L. Cardin, Chairman, Commission on Security and Cooperation in Europe, Hon. Christopher Smith, Co-Chairman, Commission on Security and Cooperation in Europe, and Hon. Roger Wicker, Commissioner, Commission on Security and Cooperation in Europe.

*Witnesses present:* Eric Rubin, Deputy Assistant Secretary, U.S. Department of State; Thomas O. Melia, Deputy Assistant Secretary, U.S. Department of State; Miriam Lansky, Director for Russia and Eurasia, National Endowment for Democracy; and Brenda Shaffer, Visiting Researcher, Center for Eurasian, Russian, and East European Studies, Georgetown University.

## HON. BENJAMIN CARDIN, CHAIRMAN, COMMISSION ON SECURITY AND COOPERATION IN EUROPE

Mr. CARDIN. Let me welcome you all to the hearing of the Helsinki Commission. I thank our witnesses for being here. I particularly want to thank Senator Cantwell for allowing us to use this committee room, the Small Business Committee that I have the opportunity of serving on. This hearing is scheduled, primarily because of the venue—of the OSCE Parliamentary Assembly annual meeting, which will take place in Azerbaijan the end of this month. I intend to be there, along with several of my colleagues in the United States Senate and in the House of Representatives. I think we'll have a pretty strong delegation that will meet in Azerbaijan to consider the important business of the Parliamentary Assembly. So in preparation for that meeting, this hearing is an opportunity for us to update the status of the relationship between the United States and Azerbaijan, and Azerbaijan's fulfillment of its commitments under the OSCE.

Let me also point out that yesterday I had an opportunity to meet with Azerbaijan's ambassador to the United States. I thought we had a very good meeting. He apologizes for not being here. He had meetings on the security front with the—with representatives of the United States at the same time, so he sends his apologies.

The purpose of this hearing, as advertised, is to look at the security, economic and human rights dimension of the U.S.-Azerbaijan relations. And when we look at each of the baskets—each of the three baskets—there's robust matters that we can discuss today, and I'm pleased that we have our panelists to do that.

On the security front, clearly Azerbaijan has been helpful to the United States and our allies in regards to Afghanistan. Their troops are in Afghanistan and the Northern Distribution Network relies very heavily on Azerbaijan, so they're an important strategic partner of the United States. They have supported our position in the United Nations Security Council, particularly as it relates to Ukraine and the territorial integrity of Ukraine. And for that, we have a strategic partner that's important to our country.

Ukraine's territorial integrity is an issue of great concern to the frozen conflict in N-K, is a matter that we need to focus on, and I know during our visit it will be a matter that we will be talking with the Azerbaijani officials, as well as other delegations that will be in Azerbaijan. Their support on counterterrorism is an important strategic partnership with the United States, and one that we certainly want to build upon.

In regards to the economic dimension, Azerbaijan's a very important country on oil and gas. We have cooperated with them, and they were, I point out, the first signator to the EITI—a matter of great interest to the Helsinki Commission, and we have been strong proponents of transparency within the extractive industries. And I think one of the points that I will want to inquire about is how much they're committed to transparency within the extractive industries.

In regards to the third basket, dealing with the human-rights dimension, there is concern. And I mentioned that with the ambassador yesterday. Their presidential elections that took place fell short of international standards—a matter that I would like to make sure that our record is complete on. It's an authoritarian-rule country—that raises certain concerns on their commitments to the OSCE principles—the concern of freedom of the media, and there are several individuals who have been harassed and detained because of their desire to report what's happening in Azerbaijan. That falls far short of the OSCE commitments and is something that we will be mentioning by name during our visit to Azerbaijan. The right of association, political opposition, all are matters of grave concern as to whether Azerbaijan is meeting their commitments under the Helsinki principles.

So we have a robust area to deal with today. And at this point let me turn to our witnesses that we have here today and, again, thank them for being here.

Tom Melia, the deputy assistant secretary, Bureau of Democracy, Human Rights and Labor, Department of State, a frequent participant in the Helsinki Commission. It's always a pleasure to have Secretary Melia with us. And Eric Rubin, the deputy assistant secretary, Bureau of Europe and Eurasia Affairs, Department of State. So we have the two experts from the administration on these issues and we look forward to your testimony. As is the custom of our commission, your written statements will be made part of our record. You may proceed as you wish.

Secretary Rubin.

**ERIC RUBIN, DEPUTY ASSISTANT SECRETARY, U.S.  
DEPARTMENT OF STATE**

Mr. RUBIN. Thank you, Mr. Chairman. Mr. Chairman, thank you for inviting us to speak with you today about our bilateral relationship with Azerbaijan. Our partnership with Azerbaijan remains a critically important aspect of our engagement in the Caucasus and the wider region. For over 20 years, since Azerbaijan's independence, the United States has been working with Azerbaijan to promote a secure, prosperous and democratic society. And we've been—in that time we've provided approximately 1.1 billion (dollars) in assistance to pursue these goals.

My testimony today will focus on the core areas of our bilateral relationship. First, I will talk about our security cooperation. Second, I will look at our evolving economic relationship, including energy diversification and our efforts to promote economic reform. Finally, I will briefly examine the country's democratic development, a subject that Deputy Assistant Secretary Melia will cover in greater detail.

First, Azerbaijan has been a key partner for the United States and NATO from Kabul to Kosovo. Azerbaijan currently has 94 troops serving in Afghanistan and has committed to remain in the country beyond 2014. Azerbaijan is a key node in the Northern Distribution Network and air route, sending nonlethal goods in and out of Afghanistan. As such, strengthening Caspian security, countering terrorism, stemming the proliferation of weapons of mass destruction and enhancing maritime domain awareness continue to be top priorities for U.S. assistance to Azerbaijan.

Over the past 12 years, we have provided 44.4 million (dollars) in foreign military financing and 9.9 million in international military education and training and export control and border security programs that focus on military professionalization, building interoperability and enhancing border security. And we are providing approximately \$4 million in this current fiscal year.

We provide security assistance to Azerbaijan while carefully ensuring it is used to comply with U.S. law. As a co-chair country of the OSCE Minsk Group, along with France and Russia, the United States is doing everything we can to facilitate a peaceful settlement to the Nagorno-Karabakh conflict. We hope the presidents of Armenia and Azerbaijan will agree to meet in the near future to continue the constructive dialogue begun at their summit last November. It is also important that both governments support Track II efforts to build people-to-people contacts between Azerbaijanis and Armenians. These kind of confidence-building measures can help to prepare citizens of both countries for peace.

The United States enjoys growing economic cooperation with Azerbaijan, particularly in the area of energy. As Europe looks more resolutely to diversify its sources of energy away from its dependence on Russia as part of its energy-security strategy, Azerbaijan is emerging as a crucial supplier for our European allies. The Baku-Tbilisi-Ceyhan oil pipeline, which began operating in June 2006, was an early success for our Southern Corridor diplomacy, and now we are focused on developing a gas link between

Azerbaijan and Europe. Completing the Southern Gas Corridor will bring 10 billion cubic meters of Caspian natural gas, perhaps more, to Western Europe, starting in 2019.

While energy remains an important part of our bilateral economic relationship, it is not the only focus. Azerbaijan and its neighbors could become a premier trade and transportation corridor between Europe and Asia, but to do so they must first reduce costs associated with high customs and tariffs and address delays caused by a lack of regional coordination. Time is of the essence, and the United States strongly supports reforms that will create sustainable sources of non-oil revenue in Azerbaijan and new opportunities for U.S. exports and investment, including in areas like aviation, communications technology and heavy equipment. The United States also supports Azerbaijan's accession into the WTO and the rules-based system in which its members participate.

In this context, it is important to note the role that corruption plays in the entire OSCE space, including Azerbaijan. Working with the government of Azerbaijan and local partners, we are committed to enhancing efforts to address this problem.

Finally, our strongest relationships throughout the world are with democracies that respect the full range of human rights of their citizens. We have concerns about the environment for democratic development and the protection of human rights in Azerbaijan, which have been deteriorating. My colleague Tom Melia will touch on that in more detail in a moment.

Going forward, our relationship will continue to be based on all of these core areas: security cooperation, economic and energy cooperation and democratic development. Our mission remains to address each of these areas with equal rigor and resolve in advancing our national interest, and we are committed to working with Congress in a bipartisan manner in our efforts to realize each of these goals and the full potential of the U.S.-Azerbaijani relationship. Thank you, Mr. Chairman.

Mr. CARDIN. Secretary Melia.

**THOMAS O. MELIA, DEPUTY ASSISTANT SECRETARY, U.S.  
DEPARTMENT OF STATE**

Mr. MELIA. Mr. Chairman, thank you for inviting me to speak today about democracy and human rights dimension of our bilateral relationship with Azerbaijan. I greatly appreciate the dedication you have demonstrated over the years to the OSCE and especially to the enduring principles enshrined in the Helsinki Final Act and the body of commitments that comprise the OSCE's human dimension.

I would start with reference to a key tenet of the OSCE canon as set forth in the 1991 Moscow Document and reaffirmed most recently in the 2010 Astana Summit Declaration in which all of the OSCE participating states agreed, and I'm quoting now, categorically and irrevocably that the commitments undertaken in the field of the human dimension of the OSCE are matters of direct and legitimate concern to all participating states and do not belong exclusively to the internal affairs of the state concerned. This concept, linking respect for human rights within states to prosperity and lasting security among states, is reflected in our multilateral and



bilateral interactions with all OSCE-participating states, including with Azerbaijan.

In Azerbaijan, this constitutes one of three equally important core goals about with Deputy Assistant Secretary Rubin has just spoken, and U.S. officials regularly meet with a variety of Azerbaijanis, ranging from senior government officials to civil society activists and opposition political party representatives.

While serving as deputy assistant secretary, I have visited Azerbaijan three times, holding valuable meetings with leading government officials, including President Aliyev, as well as with opposition leaders, civil society and journalists. And I've been joined on these missions by senior colleagues from the Department of State's Europe and Eurasia bureau, from USAID and the Department of Justice. And I would like to visit Azerbaijan again soon to continue these conversations with people inside and outside of government.

The United States also provides material assistance to support Azerbaijan's democratic development. The largest part of this assistance is provided by our colleagues at USAID, and we in the State Department work very closely with them, as we also collaborate with the legal experts provided by the Department of Justice. And this interagency collaboration works well.

Five years ago, at the outset of this administration, it was already difficult for advocates of democratic reform, and especially opposition political parties, to participate in the political life of the country, but it was still possible for NGOs and independent activists to operate. Sadly, the environment has worsened significantly since then, beginning with the 2009 incarceration of young democracy activists Emin Milli and Adnan Hajizade.

The suppression of peaceful dissent increased in 2011 with the arrests of young Azerbaijani activists who sought to organize peaceful pro-democracy rallies in Baku. Azerbaijan's parliament later passed legislation significantly increasing fines on participants and organizers of unauthorized protests in November of 2012, which resulted in the detention of numerous peaceful activists for baseless administrative violations.

Since early 2013, the space for peaceful dissent has narrowed more dramatically, and the exercise of fundamental freedoms has become still more tenuous. A number of leading peaceful democracy advocates, civil society activists and journalists have been incarcerated, including the chairman of the reform-oriented REAL Movement, Ilgar Mammadov; the journalist and Musavat Party deputy chairman, Tofiq Yagublu; members of democratic youth movements; the blogger Abdul Abilov; religious scholar and activist Taleh Bagirzade; Khural editor Avaz Zeynalli; and the chairman of the local election monitoring partner of the National Democratic Institute, Anar Mammadli, chairman of the Election Monitoring and Democracy Studies Center, which had provided a critical report on the presidential elections to which you referred, Mr. Chairman.

Two rounds of legislative amendments since March of 2013 have further restricted NGO funding and activity. Officials have pressured Azerbaijani and international NGOs, including some of the U.S. government's closest partners there. Such actions add up to an increasingly hostile operating environment for civil society, especially for those activists and groups advocating respect for human

rights, fundamental freedoms, and government accountability, thereby depriving citizens the open channels through which they can legitimately voice their concerns. Pressure on independent defense lawyers, moreover, has resulted in a decreasing number of lawyers ready to defend individuals in politically sensitive cases.

Restrictions on the ability of Azerbaijani activists to travel outside the country are also a problem. For example, since 2006, the government has prevented the foreign travel of opposition Popular Front party chairman Ali Karimli by refusing to renew his passport. One of Azerbaijan's leading human rights defenders, Ms. Leyla Yunus, was unable to attend an OSCE discussion taking place today in Bern, Switzerland on the important role of human rights defenders, because Azerbaijan's authorities confiscated her passport.

This confiscation occurred in the context of the April 19 arrest of well-known journalist Rauf Mirqediroy—the subsequent questioning of Leyla Yunus and her husband about Mirqediroy, and their poor treatment by police in custody. All three have been strong proponents of people-to-people diplomacy of the kind Secretary Rubin referred to, which helps build ties between Azerbaijanis and Armenians, and is crucial to the eventual peaceful resolution of the Nagorno-Karabakh conflict.

These are not the kind of actions the United States or the broader international community wants to see from a partner, an OSCE-participating state, and currently, the chair of the Committee of Ministers of the Council of Europe. We recognize that Azerbaijan lives in a very difficult neighborhood. The United States strongly supports Azerbaijan's long-term stability, security and prosperity. The best way to guarantee such a future, we believe, is to advance democratic processes and institutions, to buttress respect for the rule of law and fundamental freedoms. Doing so will foster long-term, internal stability, create the most inviting environment for economic investment and growth and make Azerbaijan the very best it can be by giving every citizen the freedom and space to achieve his or her potential.

We consider this to be in the short-term and long-term interests of the Azerbaijani people and the government. And as President Obama explained in his May 28th speech at West Point, America's support for democracy and human rights goes beyond idealism. It is a matter of national security. Democracies are our best friends and are far less likely to go to war.

And yet, he noted, in capitals around the globe, including, unfortunately, some of America's partners, there has been a crackdown on civil society. The United States believes that Azerbaijan will have greater stability and prosperity and will more quickly achieve its potential by allowing for a more open society. We will continue to urge Azerbaijan to live up to its OSCE and other international human rights commitments.

As President Obama indicated in his recent message marking Azerbaijan's National Day, and to return to where I began, we encourage Azerbaijan to reclaim the leadership role on human rights and fundamental freedom its people and government demonstrated 96 years ago. Thank you again, Mr. Chairman, for this opportunity to discuss democracy and human rights in Azerbaijan.

Mr. CARDIN. Well, thank you both for your testimony. Let me start with what is on, I think, the minds of people in Azerbaijan more than anything else, and that is the concern about territorial integrity. With Russia's actions in Georgia, and now, Russia's actions in Ukraine, that is clearly the most talked-about issues in that region of the world. Russia is very active in Azerbaijan in regards to being physically present. They have had many of their leaders in Azerbaijan talking to the officials of Azerbaijan. Can you just update us as to how you see the events in Ukraine impacting Azerbaijan's foreign policy and concerns about Russia's actions?

Mr. RUBIN. Thank you, Mr. Chairman. This has been a subject of very intensive discussion and dialogue with the government of Azerbaijan, as it has been with every country in the region, because the principle that we're defending in defense of Ukraine's territorial integrity and sovereignty applies to all the countries of the region, and, indeed, to every country that's a member of the United Nations and the Organization for the Security and Cooperation in Europe.

With Azerbaijan, as Deputy Assistant Secretary Melia said I think exactly right, Azerbaijan lives in a very dangerous neighborhood. It's got Russia to the north; it's got Iran to the south. These are very real concerns, and we are committed to working with the government of Azerbaijan to help them strengthen their ability to defend their territory, defend their sovereignty and territorial integrity and to be sure that it's not just words, but actually, the ability to be truly an independent country.

This is the subject, as I mentioned, of ongoing dialogue; it's something that we've been very clear in supporting when we speak to the leadership in Baku. Our Ambassador, Dick Morningstar, has been following up ever since the crisis started in Ukraine, and it's something we expect to be working very closely with the government of Baku to support them publicly and privately.

Mr. CARDIN. I would just point out that OSCE is in a particularly strong position here, since both Russia, Ukraine, Azerbaijan, Armenia all are full members of the OSCE. It has had some success within Ukraine on its mission on providing, at least, objective eyes of what's happening in the eastern part of Ukraine. Do you see the OSCE mechanism working towards trying to provide some confidence in that region on some semblance of territorial integrity?

Mr. RUBIN. Mr. Chairman, I think OSCE has a very strong track record in this region, and as a matter of fact, has played the central role in the peace process between Azerbaijan and Armenia since the conflict began more than 20 years ago, and to this day, OSCE is the premiere international organization on the ground in Azerbaijan and Armenia, through the Minsk Group, through the mission on the ground that monitors the situation along the line of contact, through the mission that helps promote efforts to broaden dialogue.

So I think OSCE is already, in many ways, in the lead, but then, going beyond that, dealing with the situation that we have post the crisis in Ukraine, I think, yes, there is a real possibility for the organization to play a greater role.

Mr. CARDIN. Well, the Nagorno-Karabakh conflict is one of the longest frozen conflicts in Europe. The United States is part of the

Minsk Group. The Madrid Proposal is now many years old. It still looks like the principal framework to try to make progress in regards to the conflict. What is the current status? Are there any breakthrough likely to occur that could move this conflict to a resolution?

Mr. RUBIN. As one of the three co-chairs of the Minsk Group, we've been working very closely with Russia and France to try to come up with ideas to try to move this forward this year. We would, I think, be very reluctant to predict breakthroughs, but I think progress is very possible, that the three co-chairs have worked hard to come up with an approach that both countries can accept for a series of meetings, including a summit meeting of the two presidents. We've been, I think, very strong in supporting the Minsk Group through appointing a senior American diplomat and experienced negotiator, Ambassador Jim Warlick, to work this issue full-time, which he's been doing since last year.

Cooperation with the other two co-chair countries—France and Russia—is very good, and I think all three countries, together with the larger OSCE community, are determined to try to make possible some opportunities this year. One of the things we have done is spoken through the three co-chairs about the vision of a settlement. It is the vision that has been reflected in past rounds, including in Madrid.

And the goal is to try to get both countries together with the co-chairs to agree on a path forward. The goal now is to see if we can get a meeting of the two leaders scheduled in coming months, and we're hopeful and optimistic that that will happen, and we believe that both leaders do want to see progress. We think it's important to support them in that.

But also, to push—as you said, Mr. Chairman, it's been more than two decades. This is a real conflict. It is a live conflict. People die every year. It's literally a shooting war—thankfully usually on a small scale, but nonetheless unacceptable in the 21st century to have this going on. And getting this settled in the interest of all of the people involved in both countries—both populations is a very, very high priority for us.

Mr. CARDIN. Is the Madrid proposal still very much the framework that we believe is the appropriate framework to make progress, or is there expectations that there will be a new proposal or modifications of that proposal that will move forward?

Mr. RUBIN. Mr. Chairman, the three co-chairs laid out a vision for moving forward this year that drew very heavily on the principles reflected in Madrid, and indeed, on every iteration of this process, because the basic concept is pretty much the same, and has been since the negotiation began, but literally, using the Madrid proposal, I think, is not going to happen, because neither country wants to use Madrid alone, but I think anything that they come up with—and this was reflected in the statement by the co-chairs—will look a lot like Madrid, because there is no other real approach to solving this other than based on the principles of OSCE and the United Nations charter, and that is what Madrid was, and that is what the current approach is.

Mr. CARDIN. I've been active in the OSCE for many years and this has been on our agenda every year. It's very frustrating. And

I know it's not easy, but it seems to me that it's within the leadership of the United States and Russia and France, as the co-chairs of the Minsk Group, to make this a more urgent priority, particularly with the anxiety that currently exists in Europe. It seems to me that a breakthrough in regards to this conflict would have a major positive impact on confidence and stability in that region. So I would urge you to make that a very high priority to try to make progress.

Let me turn to your comments in regards to the economy and the obvious: that so much of their economy is based upon oil and gas. And I agree with you that it's in our interest to see whether they can't diversify their economy, and I'm going to get to that in one moment, their accession to the WTO. But in regards to the energy sector, we've seen the vulnerability of Ukraine to Russia, and having a supply of alternative energy is very much in the U.S. interest; very much, I think, in the regional interest. So the pipeline is of great interest.

I mentioned originally that Azerbaijan was the first country to embrace the EITI. That doesn't mean they're complying with it. Can you just bring us—this commission up to date as to what is the current status of their energy commitments to transparency? I will get to corruption in one moment, but do we have hope that they are following the best practices of the EITI in regards to their arrangements with the mineral extractive industry companies so that the people of Azerbaijan have a hope of knowing whether those resources are going to the advancement of their country?

Mr. RUBIN. Thank you, Mr. Chairman. This is a subject of very active discussion, not just between the United States and Azerbaijan but, as you mentioned, as part of the WTO accession process with their other partners. Azerbaijan has been the critical country, I would say, in advancing energy diversification for Europe, and it's not just a question of the past projects such as BTC but the very real project now to bring the Shah Deniz to resources, to Europe through the Trans-Anatolian and Trans-Adriatic pipelines, which the United States strongly supports.

So this is about big, important projects, and we strongly agree with you that it's very important that there be transparency. Our ambassador in Baku, Dick Morningstar, is, I think, more familiar with these issues than anyone else, having worked BTC personally and having been involved in every stage of this since the 1990s. This is part of his regular dialogue. This will be part of our dialogue with Azerbaijan when we have our regular economic talks with Azerbaijan.

We believe the Azerbaijani government is serious about the commitments it's making as part of the WTO accession process and the commitments it's made to the partners in the international energy projects, and we will continue focusing on this in our dialogue with them.

Mr. CARDIN. Thank you.

Now, Secretary Melia, let me just make an observation and ask you in regards to the corruption and human rights issues in Azerbaijan. You correctly identified our strong interest in stability of partners and to have a stable partner, that that country needs to have a commitment towards economic opportunity for all of its citi-

zens, sharing the wealth of the country and adhering to international norms on human rights—not our norms but international norms on human rights.

No country is perfect, and this commission has been critical of all countries including our own in regards to meeting the Helsinki commitments. I was recently in Ukraine and my observations there was that the protesters were more concerned about a government that was honest than it was about trying to pick sides on loyalty. They wanted an independent Ukraine where the resources of their country went to the benefit of their people, free from corruption.

In Vietnam—it was very clear in all of our discussions that Vietnam has a serious problem of corruption and they need to deal with it. We now have an opportunity in the TPP to have reasons for progress to be made in Vietnam on good governance. In Singapore, at the Shangra-La security conference, we brought up frequently the good governance issues as it relates to security in that region.

So my question to you is, as we look at Azerbaijan’s membership in the WTO, what specific reforms should be the highest priority? What efforts can we reasonably expect to deal with corruption or to deal with the freedom of the media or, as you point out, the freedom to travel, which is a basic commitment within the Helsinki Accords? In Vietnam we have a checklist—literally a checklist of progress that we believe is reasonable to be made. And we’ve gone over that with the Vietnamese government officials, and we had a very, I think, positive exchange when they were here on the human rights basket with their delegation and my visit to Vietnam. What expectations do you believe are reasonable for us to anticipate in Azerbaijan?

Mr. MELIA. Well, Mr. Chairman, you’ve very eloquently described a major challenge that we have in many parts of the world in trying to deal with partner governments to bring them into the modern economy in a way that enables the prosperity to be shared more widely in each of these countries. You’re exactly right in describing the situation in Ukraine as one that was animated by this very question of lack of transparency and accountability by authoritarian governments that don’t feel like they have to tell their people what they do with their money. That is the heart of the issue and it’s—I don’t know that there is a single magic silver bullet that can solve these problems. It’s part of the tapestry of democratic governance and respect for rights that we’re working to try to help Azerbaijanis achieve.

We know that, like many other countries, there is anti-corruption legislation in place in Azerbaijan. There’s a national action plan; there’s all kinds of formalities. And there have been some small steps taken at the local level in some places, particularly around Baku, to eliminate petty corruption, the kind of small-bore, fee-for-service kind of corruption that police and local administration officials—they’ve set up these ASAN centers, which is the Azerbaijani word for “easy.” It’s like the easy-button place where you go to get all your licenses and permits and so on, and those seem to be having some positive impact in their realm of where the ordinary public engages with local administration.

But the larger question about where the massive resources go and where the endemic corruption at a macro level, that requires a country in which journalists are allowed to report on what their government does; where a parliament, reflecting the diversity of opinion in the country, can have open and public hearings about exactly these kinds of issues; where NGOs can be watchdogs and publish reports without fear of retribution. Those are all the things that Azerbaijan needs and could benefit from. They could be a more stable country, a country where prosperity is more widely shared if they were respecting the rights of people to ask questions and research and talk about these issues.

So there's a whole welter of fundamental freedoms that are constrained in Azerbaijan right now, as we've just gone through. And the people who are trying to bring these issues to public discussion end up unjustly imprisoned for their work. So there's a—the fundamental freedoms do hobble a—lack of respect for fundamental freedoms is a major impediment to any country trying to do the responsible thing in terms of fighting corruption and establishing a responsible government.

Mr. CARDIN. Before we leave at the end of this month, we will review with you some of the specifics, particularly individuals who have been arrested and imprisoned, because we do believe putting a face on the issue is one of the best ways you can get the attention necessary to make the fundamental changes. Yes, we want to see these individuals released or not harassed, but we also want to see fundamental changes, not just in their laws but the way their laws are enforced.

So it's not as simple as just the constitutional provisions or legal changes, because there are many countries that are very oppressive that have laws that would seem to provide basic rights to their citizens but the way that they're enforced deny them the opportunity to enjoy universal basic rights. So we will be looking to Azerbaijan to make these changes, not because we're asking them to. It's their commitments under OSCE and it's their commitment to their own people that we think will allow the country to become a more prosperous and more stable ally in that region for peace. So we'll continue to work with you to develop that type of list.

One additional question before I turn it over to Senator Wicker, and that is that Azerbaijan has a very constructive relationship with Israel—of course our close ally in that region. Can you just bring us up to date as to how that relationship has played out in regards to regional stability?

Mr. RUBIN. Sure. Thank you, Mr. Chairman.

I think the Azerbaijani-Israeli relationship is a model. It is definitely a source of not just security and economic benefit to both countries but also a source of stability in the region. Azerbaijan has been very supportive not just bilaterally and privately but also publicly of Israel's security, of the need for a peace process that will succeed in the Middle East in bringing a just and lasting settlement and also security to all the countries including Israel. We see this as something that's very positive. Also, that relationship has been very important in terms of counterterrorism cooperation, which is something that we value greatly and see as a benefit to

us and the entire international community, as well as to Azerbaijan and Israel themselves.

Mr. CARDIN. Senator Wicker has led an OSCE delegation, Helsinki delegation, to Baku, so he's our expert on Azerbaijan. (Laughter.) And he will be joining us in our visit later this month.

Senator Wicker.

**HON. ROGER WICKER, COMMISSIONER, COMMISSION ON SECURITY AND COOPERATION IN EUROPE**

Mr. WICKER. Well, thank you. And thank you, Senator Cardin, for your leadership in this issue, for your leadership in OSCE. When we go to these meetings, the leadership around Europe knows they can look to Ben Cardin for a great degree of knowledge and understanding and wisdom about these issues.

For a country the geographic size of Maine and a relatively small population, I think we rightly give a lot of attention to Azerbaijan because of the importance not only locally there but in the region, and what it says about the rest of that area. The administration has sent one of our best people there in Ambassador Morningstar. For a location so small, I think the administration recognizes the strategic importance of having a Dick Morningstar there. And we greatly benefited as a delegation last year—I guess it was 4th of July when our delegation was there.

How important is it, do you think, gentlemen, that OSCE is the locale of this summer's Parliamentary Assembly and that the eyes of Europe—not only the United States and the international press, but the entire European community will be on this little location—they just had the presidential election where we had OSCE observers—and that's so strategically located? Is there any particular benefit or significance to the fact that we're having the PA meeting there in late June?

Mr. RUBIN. Senator, thank you, and thank you for your commitment to this relationship and for your travel there last year. I absolutely would agree that Azerbaijan is significantly more important than its size would otherwise suggest, for many reasons. Location is one of them. Commitment to supporting the international community in places like Afghanistan is another. Energy diversification is a third.

So it's absolutely true that supporting Azerbaijan's independence, territorial integrity should be a high priority—is a high priority for us. As you mentioned, the president's choice of Dick Morningstar, a former ambassador to the European Union, as ambassador to Azerbaijan testified to that importance.

Mr. WICKER. It's a statement.

Mr. RUBIN. It's a statement. And it was meant as a statement, a very positive statement. So I think in that regard it's absolutely true.

We think it's very positive that the Parliamentary Assembly will be going to Baku. It's an opportunity for dialogue and familiarization in both directions, with ideas, concerns, and I think it should be a very good dialogue. I think members of the PA will see a lot of progress in Azerbaijan. Those who have not been there in a long time but are coming back will certainly see that evident progress. There are obviously other issues such as the ones that Deputy As-



sistant Secretary Melia has suggested that are also important to have as part of that discussion, so we hope it's a very broad discussion and we think the spotlight on Azerbaijan and its importance is justified and valuable.

Mr. MELIA. These are important opportunities to demonstrate not only a partnership with government officials and parliamentary counterparts, but we're hoping that you would also have time to meet with some of the people that we've talked about who have sought to be responsible watchdogs and advocates for reform, anticorruption, for fair elections, et cetera, and who find themselves harassed often by the government and by various levels of government. So we hope that you'll—you and other colleagues from other legislatures will use the opportunity to demonstrate a broader—a broad interest in Azerbaijan as a society and the various aspects of its society and make a point of meeting with a number of people beyond official corridors.

Mr. WICKER. I think it's important for us to hear all different points of view.

Mr. Rubin, you mentioned Afghanistan. And our hat is off to the Azerbaijanis for their great help with our effort in Afghanistan, is that not correct?

Mr. RUBIN. Senator, absolutely. I think the role that Azerbaijan has played throughout the NATO, ISAF and U.S. bilateral engagement in Afghanistan has been very important, deeply appreciated—and not just the role in facilitating the Northern Distribution Network and transit to and from Afghanistan but also Azerbaijan's readiness to put boots on the ground and to stay there, as they still are, under—currently under Turkish command. And ISAF is very, very important.

Our discussions with Azerbaijan about the security of the region are quite broad and quite important. Azerbaijan's location, as I mentioned earlier, is central not just in the strategic sense but also economically in terms of trade and transit in the future, we hope, global trade through that region. So, very much so, and we do very much appreciate the role that Azerbaijan has played in the effort in Afghanistan.

Mr. WICKER. So when we talk about the location—I suppose this might have been mentioned during your testimony or during Senator Cardin's questioning, but they're so very, very close to Iran and so very, very close to Russia, and yet they—in spite of that—they've chosen to seek the friendship of the United States. And I think that speaks volumes, does it not?

Mr. RUBIN. Senator, I would absolutely agree. And I think the one thing that's been clear since Azerbaijan's independence is the determination of not just its leadership in the various governments over the years but also of Azerbaijanis as a whole to defend their independence. It was hard-won. It was defeated after the first attempt almost a century ago. And I think that's something that unites all Azerbaijanis. It's something that we strongly support.

Obviously Azerbaijan needs to have a relationship—good relationship with Russia and Iran, its two big neighbors. They have to balance that. We recognize that. But the commitment to the relationship with us, with NATO in the Eastern Partnership with the

European Union is obviously something they've chosen and is very important.

Mr. WICKER. I think it's a profound statement on the part of the leadership of that country as to how they view the United States as a friend in a neighborhood where there are very powerful forces to the north and south. And yes, you're correct, Mr. Rubin; they need to be friendly with their neighbors and have good relations.

This hearing, Mr. Chairman, has a broad scope—security, economic and human rights. It touches on almost everything. There is a Eurasian Economic Union now consisting of Russia, Belarus and Kazakhstan. Armenia is about to join that. Isn't that right, Mr. Rubin? Now, what effect is that going to have on our friends in Azerbaijan?

Mr. RUBIN. Well, Senator, Azerbaijan has chosen to pursue its own policy on economic ties with its neighbors, and we think that's the most important aspect of this broader question. It's the point that we've been emphasizing.

Mr. WICKER. That it's their decision?

Mr. RUBIN. That it's their decision, as it is Ukraine and Moldova and Georgia's decision to proceed with association with the European Union. We've said in regard to Kazakhstan and Armenia that their choice to join the Eurasian Economic Union is also their choice as long as it's freely made and not under coercion.

Azerbaijan has said that they want good ties with all the blocs and countries but don't intend to pursue direct association with either. They are pursuing WTO membership. They're pursuing expanding trade through those means, and we think that should be their choice, as it is for every country.

Mr. WICKER. Ben, did you get into the election observers?

Mr. CARDIN. No.

Mr. WICKER. Well, let me ask you this. Mr. Chairman, I believe we had OSCE election observers there last year, and was this Parliamentary Assembly and—

Mr. CARDIN. ODIHR.

Mr. WICKER [continuing]. The ODIHR. OK, so actually two entities within OSCE sent election observers.

Mr. Melia, would you comment as to how beneficial that was, how effective they were, how much access they had and how much information the OSCE and Helsinki community got as a result of these two organizations going in and helping with observation?

Mr. MELIA. Well, we were reminded just a couple of weeks ago in Ukraine how important and valuable it is to have eyes on the ground and in large numbers as the OSCE, ODIHR and the Parliamentary Assembly typically do. Having people from across Europe, east and west, to be on the ground in Ukraine was very important for all of us to know what was happening, to be able to make a sound judgment about that process and to be able to validate the expressed will of Ukrainian people.

Similarly, in Azerbaijan last year there were multiple delegations, international, including the OSCE delegations and local networks of observers. The EMDS is the Azerbaijani group that's been trained over these two decades by international professionals from the National Democratic Institute and others, and they also pro-

vided eyes on the ground and dovetailed with what the OSCE teams were doing.

And in this case, you know, the reports were much less favorable than they were in Ukraine last month, and there were shortcomings in the election process last year that ODIHR, in its very dry and literal kind of way pointed out. That's a basis for reform efforts going forward to improve the administration of elections, and more importantly perhaps the political environment surrounding the elections so that there's more chance for freedom of expression and mobilizing different political views.

So the OSCE statements on the presidential election last year were critical, and they were echoed by our own statement at the time, which was also pointing out that we wished it had been a better process. And we do that in—our purpose in doing that is not just to point fingers but it's to lay a basis for future reform efforts to improve the quality of the process. So the role of OSCE observers has been very valuable in that. We hope it will continue.

And we also hope that domestic citizens of Azerbaijan will continue to be able to monitor their own government's process and performance as well. Unfortunately, since that election, the EMDS network has had a number of allegations raised about its tax management and tax payments, its financial management, the international grants that support them. And the leader of that organization has been prosecuted, and so for—you know, basically for issuing a critical report. It goes back to the point raised by Senator Cardin a few moments ago about corruption. You can't deal with problems in governance unless you can talk about them, and right now people are getting punished for raising questions and trying to talk about how to improve their society. So that's going to be a—you know, a constraint on the improvement of the political process in Azerbaijan.

Mr. WICKER. In the view of the department, did the election reflect the judgment of the electorate as a whole in Azerbaijan?

Mr. RUBIN. I think, given the nature of the political environment in Azerbaijan, the fact that one of the leading opposition politicians who wanted to be in that election as a presidential candidate was instead in jail throughout last year and is still in jail today; given that the leader of one of the main opposition parties cannot travel because the government won't given them a passport, I mean, these are the kinds of things that add up to, you know, an environment where it's hard to tell what the people's choices are. The people don't have a chance to cast a ballot, you know, in the way that we would hope they could. So that's why our statement said that the process fell short of our expectations and hopes.

Mr. WICKER. Thank you, Mr. Chairman.

Mr. CARDIN. Let me just observe, I was in Kiev for the Ukrainian elections. And just to let Senator Wicker know, I was with Senator Portman a little before the time that one of the precincts was scheduled to open, and we saw a long line of people anxious to cast their votes. We saw a little bit of chaos as they were trying to open up the precinct as early as they possibly could. And, quite frankly, it reminded me of my home precinct in Baltimore at the same time.

So it was, I think, very educational for me to observe an election in Europe. And it was very clear that—except in eastern Ukraine,

where there was violence preventing people from voting, the elections met international standards. And that was the conclusion by the observers, that it did meet the international standards for a free and fair election and the will of the people was clearly shown with Mr. Poroshenko receiving an overwhelming majority.

In Azerbaijan the vote was overwhelming. And popular sentiment, I think, would probably reflect that, but because of reasons we've already stated—the opposition not having adequate opportunity to present their case, not having the freedom of the media, and the integrity of the election process itself; that is, ensuring that the votes that were cast were actually counted appropriately, which there was not that type of integrity in the system there—led to the conclusion that it was not a free and fair election under international standards. So that's an area where Azerbaijan needs to improve. It may not have changed the outcome of the election, but it can't get the stamp of international recognition that the OSCE monitors are there to provide. So for all those reasons we were unable to certify the election.

We're joined now by my co-chair, Congressman Smith. I'll let him catch his breath, if he likes. (Laughter.) He will lead our delegation in Baku. We alternate between the House and Senate on the annual head of our delegation. So Congressman Smith will lead the delegation and he has traveled extensively throughout that region, so we really do plan to be a very active participant.

I made the observation in the beginning of this hearing that this country is very important to U.S. interests. We have a lot of strategic partnership issues in security and energy and fighting extremists, and it is for that reasons that we pay particular attention, but other countries are also paying attention. Senator Wicker mentioned the fact that Azerbaijan borders Russia. What we want is an independent Azerbaijan. We want a country that will exercise what's right for its own people, but we want a country that's stable, that respects human rights, that has economic opportunities for all of its citizens as well as a strategic partner on national security issues with the United States.

With that, let me recognize and turn it over to Chairman Smith.

**HON. CHRISTOPHER SMITH, CO-CHAIRMAN, COMMISSION ON  
SECURITY AND COOPERATION IN EUROPE**

Mr. SMITH. Thank you very much, Mr. Chairman and Ranking Member Wicker. And I want to welcome our very distinguished panelists and thank them for their service to our country and for raising these extraordinarily important issues, particularly as it relates to human rights.

It will be, I think, really important that we head back to Baku. Senator Wicker led us there last year for some very important meetings with high-level officials. And at the time we did raise the human rights issues very robustly, and I know we'll be back there doing it again within the parameters of the Parliamentary Assembly but also with some bilaterals that I know that we will engage in.

I do have a full statement, Mr. Chairman—  
Mr. CARDIN. Sure.

Mr. SMITH [continuing]. That I'd like to make a part of the record. But again, I just want to thank you for calling this very timely hearing so that we're further empowered, informed; so that we understand, you know, from the department especially, what your insights and recommendations will be. And this, I think, will be a good trip. And I thank you, Mr. Chairman, for convening this hearing.

Mr. CARDIN. Great. We're going to turn to the second panel. Let me thank both of our witnesses for their testimony and we look forward to working with you as we travel to Azerbaijan.

Mr. RUBIN. Thank you, Mr. Chairman.

Mr. MELIA. Thank you.

Mr. CARDIN. Let me turn to the second panel: Miriam Lanskoj, who is the director for Russia and Eurasia, the National Endowment for Democracy; and Brenda Shaffer, the visiting researcher, Center for Eurasia, Russia and East European Studies, Georgetown University. It's a pleasure to have both of you with us today. You've been, I know, a valuable resource to our commission and we appreciate that. As I explained in the introductory remarks, this hearing is for preparation for our visit to Azerbaijan and the attendance of our delegation at the OSCE Parliamentary Assembly later this month. With that, we'll start with Ms. Lanskoj.

**MIRIAM LANSKOJ, DIRECTOR FOR RUSSIA AND EURASIA,  
NATIONAL ENDOWMENT FOR DEMOCRACY**

Mr. LANSKOJ. Thank you. Mr. Chairman, I'm grateful to the Helsinki Commission for holding this hearing and for giving me an opportunity to speak. The National Endowment for Democracy is a private, nonprofit foundation dedicated to the growth of democratic institutions around the world. NED has been working in Azerbaijan for many years and maintains a large portfolio in Azerbaijan.

Over the last 10 years, freedom in Azerbaijan has declined gradually, but over the last year, there has been an unprecedented crackdown. Through membership in the Council of Europe and the OSCE, Azerbaijan has committed itself to the protection of human rights. Unfortunately, Azerbaijan obtains the prestige associated with these organizations without fulfilling their basic conditions.

Azerbaijan is the chairman of the Committee of Ministers of the Council of Europe, a body charged with ensuring compliance with the judgments of the European Court of Human Rights. However, Azerbaijan itself has not complied with numerous decisions of the European Court, and though Azerbaijan violates OSCE norms of human rights, it is about to host the Parliamentary Assembly.

Recent events in Ukraine have complex implications for Azerbaijan. The protests that toppled the corrupt government there rattled nerves in Baku. But numerous prior revolutions in the region have had little effect on Azerbaijan. More significant for Baku is the annexation of Crimea, because that means that Russia is an arbiter of borders on the territory in the former Soviet Union and can decide these questions unilaterally. The crisis in Ukraine highlights the need to diversify energy sources, and this creates opportunities for Baku to seek out partners and extend its influence

while at home it is taking advantage of the crisis to silence critics of the government.

The number of political prisoners continues to grow. Amnesty International has recognized 19 prisoners of conscience. The U.S. Commission for International Religious Freedom, in its annual report which was just released, provides a list of 51 religious prisoners in Azerbaijan. Human Rights Watch has published a comprehensive report that contains cases against activists, human rights defenders and journalists.

I want to touch on a couple of these cases. Two prominent opposition figures, Tofiq Yagublu and Ilgar Mammadov, were sentenced to five and seven years. In its ruling on this case, the European Court found that Azerbaijan is in violation of several articles of the convention, including Article 18, and it has awarded damages to Ilgar Mammadov. The European Court found that the actual purpose was to silence or punish the applicant for criticizing the government. The Committee of Ministers of the Council of Europe, which Azerbaijan now chairs, is supposed to oversee the implementation of a court's decisions.

Human Rights Watch has profiled the use of narcotics charges against youth activists who apparently had drugs planted on them by police. Youth activists criticized the government on social media, they were arrested for narcotics charges, they were questioned about their politics, and they received long jail sentences. And Human Rights Watch has several cases of this happening.

Finally, I want to draw your attention to the case of Leyla Yunus, who's the director of the Institute of Peace and Democracy. She's done—she's worked on human rights for 20 years—many types of issues, including compiling lists of political prisoners. The government has retaliated against her in the past, most clearly in 2011, when her office was demolished. She was questioned in connection with a case against Rauf Mirkadirov, who's an Azeri journalist who is now being held for participating in Track 2 meetings with Armenians. During the questioning, over a month ago, Leyla and her husband, Arif, had their passports taken away, but no charges have been filed. Their passports should be returned and they should be permitted to travel.

Pressure against NGOs is continuing to mount. New amendments to the NGO law made it illegal for unregistered groups to receive grants or donations. Penalties for NGOs that don't register a grant were expanded. Onerous reporting requirements have been extended to international organizations. Grantees report months of efforts to register grants and withdraw funds from banks. So you can have a registered organization, a registered grant—and it's a big struggle to register—and then still not be able to access your funds from a bank account. And this seems to so far be inconclusive; there's different scenarios unfolding there.

There is considerable apprehension that the new regulations will be selectively enforced against organizations that are critical of the government. Even prior to these amendments, Azerbaijan was violating freedom of association by overregulating NGOs. The Venice Commission found that the process of registering NGOs in Azerbaijan was too cumbersome, lengthy and unpredictable. And in five

separate decisions, the European Court has found that Azerbaijan violates freedom of association by denying registration to NGOs.

Baku should be bringing its NGO legislation in compliance with the European Court and with the Venice Commission opinions rather than imposing even more burdens on NGOs.

The case of the Election Monitoring and Democracy Studies Center illustrates why these laws are used to silence critics in the government. EMDS, as a vote-monitoring organization, has made numerous attempts to register and has repeatedly been denied. EMDS entered into a contract with a registered organization to carry out its activities. This arrangement became grounds to sentence Anar Mammadli to 5½ years and Bashir Suleymanli to 3½ years.

In closing, I'm grateful to the Helsinki Commission for convening this hearing. I hope that the commission will remain engaged by calling on the government of Azerbaijan to release political prisoners and repeal new regulations against NGOs. Further, I would urge that the Parliamentary Assembly which will convene in Baku—for it to include voices from Azeri civil society. I would also urge members of Congress who travel to Azerbaijan to visit political prisoners in prison and meet with their families.

Mr. Chairman, Azerbaijan has a longstanding democratic tradition. In 1918, it became the first democracy in the Muslim world. The civil society of Azerbaijan works to fulfill that legacy and remind the government of its OSCE commitments. These brave and talented people should be permitted to do their important work without harassment and intimidation. Thank you.

Mr. CARDIN. Thank you for your testimony. Ms. Shaffer?

**BRENDA SHAFFER, VISITING RESEARCHER, CENTER FOR EUR-ASIAN, RUSSIAN AND EAST EUROPEAN STUDIES, GEORGETOWN UNIVERSITY**

Mr. SHAFFER. As a teenager growing up in the San Francisco Bay area, on the bed—on the wall next to my bed, instead of posters of rock stars or Hollywood actors, I had a picture of the Helsinki Declaration Final Act. (Laughter.) My mom's listening to this. She can probably confirm it.

These principles inspired most of the activism of my youth, and even as a high school student at Burlingame High School, a district represented by Congressman Tom Lantos, I went to the Soviet Union, visited Soviet Refuseniks, visit other, non-Jewish, human rights activists in the USSR and I'm—therefore I'm—my voice is shaking, because I'm honored and moved to testify at the Senate Commission of the—for the Security and Cooperation in Europe, because these principles have been so much a part of my youth and my own activism.

As part of that visit in 1982, I actually visited Soviet Azerbaijan and started my interest in the South Caucasus. The Soviet—Azerbaijan is a Shiite Muslim-majority country with a strong Western orientation and a desire, as was pointed out by the earlier testimonies, for a strong alliance with the United States. Azerbaijan is not only a place where there's freedom of religion, but freedom from religion—something that's too often absent in the world. Secular people have the right to live free of religious coercion, and gov-

ernment protects the right of people, again, to freedom from religion as well.

Azerbaijan is a land where Jews have never experienced anti-Semitism. They don't talk about feeling unwelcome in Azerbaijan, because they feel part of Azerbaijan, and no Azerbaijanis would consider them guests in any sense in Azerbaijan.

Women were granted the right to vote in Azerbaijan two years before suffrage was granted in the United States and decades before many states in Europe.

Azerbaijan is important, as mentioned here, to the U.S. in a wider number of issues, including its policy towards Russia, relations with Iran, nuclear nonproliferation, Middle Eastern regional security and European energy security. Its location as the only state in between the Arctic Ocean and the Persian Gulf—except between Russia and Iran and Azerbaijan, only three states on that lateral—its location is both a blessing—that's why we're here today, we're discussing this country—but also a curse, because if you sit in between Russia and Iran, your stability, your independence is quite constrained.

This almost treacherous balancing act that the regime finds itself in Azerbaijan between balancing strong orientation towards the United States, integration in Euro-Atlantic structures but also peaceful relationships with Russia and Iran is extremely challenging because not only does it have this foreign policy aspect but also domestic policy and military conflicts are intertwined. Russia and Iran use military conflict, use taking of territory, use even the domestic political arena in order to promote their views. Maybe if we held this hearing before the invasion of Crimea, we might—it would be maybe difficult to make the case. I think now today it's apparent to all how Russia operates in its—in its close environment. Russia has used military force to promote its goals in Ukraine and Georgia, neighboring countries. It uses the electoral process and civil society organizations. Russian citizens have ran in elections in Azerbaijan, Georgia and Latvia. Could you imagine a parallel in another country where foreign citizens run to the leaderships of different countries to try to get its way? And it's promoted separatists in a number of neighboring countries also to promote its interests—Moldova, Ukraine, Georgia and Azerbaijan.

The U.S. and even the OSCE Minsk group has done—has taken a number of steps to try to promote resolution of these same ethnic conflicts that afflict the region. Unfortunately, lack of recognition of the role that Russia plays in these conflicts really hurts and hinders the work of the OSCE Minsk Group and of the United States. For two decades the U.S. and the OSCE Minsk Group has chided the leaders of Armenia and Azerbaijan for not preparing their people for peace, for not doing enough. I think now it's very clear that the leaders of Armenia and Azerbaijan really do not have an independent decision on this issue. And in fact, three times they have come to—initialed very, very serious peace agreements between Armenia and Azerbaijan, and each time this agreement was derailed by its northern neighbor.

Azerbaijan is also very important to Washington in terms of Washington's Iran policy, but for the same reason, Iran works very hard to destabilize Azerbaijan. Iran, we call it Persia, Persian



music, Persian people, is a multiethnic country where half of the population is ethnic minorities, and all in all, a third of the population of Iran is ethnic Azerbaijanis. So with Iran keeping this in mind does everything possible to keep Azerbaijan away from prosperity, involved in wars, involved in conflicts because it fears if Azerbaijan is a fully stable, open society, it could be a source of emulation for its own Azerbaijani minority. Even, by the way, Khamenei, the spiritual leader or the leader of Iran, is native Azerbaijani, and Mousavi, head of the green movement, native Azerbaijani. It's a very serious question for Iran's stability as well.

European energy security. Azerbaijan is the only country that is bringing in additional supplies of gas, not rerouting existing supplies of gas into Eastern Europe. The southern corridor, while volumes are small at the beginning, they target specifically vulnerable countries which have almost a hundred percent dependent on Russia. And this is basically a superhighway that once it's built, other regions such as the Balkans can easily link into it. Other supply sources, such as from Iraqi Kurdistan or from Israel, could eventually use this infrastructure. So it's very important for European energy security—again, quite noted by Russia, and we'll probably genuinely, as we see, see attempts to undermine this project.

I think that the people in Azerbaijan take very serious your commission, your work, the U.S. government's statements on the state of regime and the state of human rights and the state of democracy. The only thing where I think where it's very problematic, some of the statements that have come, are related to religious freedom. And this is where sometimes I think people in the government feel no matter what we do, we really can do no right with the United States. Of all—of all places, the field where—you look at the reports from the national commission on religious freedom, I think this is where—the place where the United States government has not done the best—most professional work.

There is a place—for instance, some of the criticism as related to Azerbaijan has blocked anti-Semitic literature from Iran to enter into Azerbaijan. I applaud that they blocked that. I think this is an independent decision. Germany has a law against anti-Semitic literature. We don't go into Germany and say why do you block anti-Semitic literature. On the question of terror financing, the United States, if you had Hamas sending money into religious organizations in the United States, you would find those violations and you would find people put on trial. I don't think that the United States has to intervene when funds or literature are coming that their whole attempt is to destabilize a country and to destabilize the very positive ethnic and religious makeup of the country.

And the last, even on the issue of religious coercion, if a country decides that it wants to give children, young girls, the choice to not be veiled and be coerced by their parents to be veiled, this balance between right of the parents to religious freedom and right of the child the choice is really a place where I think the U.S. government shouldn't intervene and to allow states to make their independent decisions.

This is the last point that as the U.S. improves relationship with Iran, it disengages from another arenas—a number of a arenas such as Iraq and Afghanistan, we're going to need our allies on the

ground more than ever. If we're physically not in these places, we're going to need our allies. And I think it's very important in your mission that you go there as a friend. Things that have to be improved, we improve as allies, and we improve as friends, and I thank you for your work in this direction.

Mr. CARDIN. Well, thank you both for your testimony.

Ms. Shaffer, thank you for taking on the responsibility of more people knowing about the Helsinki Commission. I can't imagine what you woke up to every morning—(inaudible). But we appreciate that. I think that prior to Russia's incursion in the Ukraine, most Americans had never heard of OSCE or the Helsinki Commission. And it clearly is an extremely important organization for U.S. interests. So we thank you for your passion on the work of our commission.

Let me assure both of you that Azerbaijan has made commitments for access for NGOs at our annual meeting so that we will have opportunities to meet with the NGOs, there will be free access for all points of view so that we can have an open discussion at our parliamentary assembly.

I want to ask both of you basically what you think the opportunities are now for strengthening not just the U.S. ties with Azerbaijan but also adherence to the OSCE principles within Azerbaijan. As has been pointed out, what has happened with Russia and the incursion into Ukraine and, previous to that, Georgia, is certainly on the minds of the Azerbaijanis. There's no question about that. And with Armenia developing closer ties with Russia, as they have with the economic partnership and their vote in the United Nations on Ukraine, it seems to me that the Azerbaijanis recognize that there could be serious issues in Russia's taking sides on territorial issues in that region.

I'm sure there are other reasons why there is a desire to strengthen their ties with the United States. We have strong strategic partnerships. And yet it's important to us that Azerbaijan adhere to all the principles of Helsinki, not just the security basket and the economic basket but also the human rights basket.

So where do you believe that the most progress can be made in strengthening the relationship between the United States and Azerbaijan as particularly it relates to the Helsinki commitments? Whoever wants to go first.

Mr. SHAFFER. Yes, I agree with you, Senator Cardin, that Ukraine, Crimea, this is an earthquake for the region, I think not only because of the violation of territorial integrity, because if you're Georgia, Moldova, Azerbaijan, you've already had a chunk of your territory pulled out with Russian support—I mean, the Soviet Union, there were hundreds of disjunctures between the ethnic and national borders. The only places, with the exception of Chechnya, where violent conflict broke out were places where there was Russian support. I mean, these wars are not about ethnic conflict, but they're about one power using different groups in order to leverage over other groups.

But what's I think particularly—why there is an interlap between the domestic and the foreign policy here and where your work is important is that—think about for countries in the region. Crimea happens. It's not just a military invasion. Everything was

in place. There were people there to run the government. There were parliamentarians ready to make the vote. It was very smooth. And I think this is what—why it's really been a very scary incidence for the people in the region. Again, they know about taking territory, but to see how porous many of their countries are, finding the proper balance between protecting yourself from that infiltration and proper maintenance of human rights and OSCE principles I don't know what the magic formula it is, and hopefully you have some answers for that.

I think that when there is a strong and engaged U.S., it's better for prosperity and human rights than when the U.S. just sits on the sidelines and complains and says this isn't good. I don't want to live in a world where the strongest power isn't the United States and it's any of the alternative powers. And so we need to keep our allies.

In terms of specific issues where I think you could find a lot of cooperation with the government and can be improved on that—human rights and rule of law issues, one is property rights in Azerbaijan, strengthening the process of property rights—when people have control of their property, it's an important part of the citizenship—and continuing development of the democratic culture in universities, which I think has been a very positive development in Azerbaijan.

Mr. CARDIN. Thank you.

Ms. LANSKOY?

Mr. LANSKOY. Thank you. I'm going to start with the geopolitics and come back to the OSCE principles.

Azerbaijan has a very skillful foreign policy. It's true that they're in a tough neighborhood, but they've become very good at creating different types of relationships with their neighbors. President Aliyev recently visited Tehran. He's also visited Baghdad. He has good relations. There are new border crossings being opened with Iran. There is robust trade with Iran. The Azeri defense minister was recently in Moscow meeting with Russian and Iranian counterparts, and he came out of those meetings saying that he was very satisfied with defense cooperation in many spheres with both Russia and Iran. President Putin visited Baku last summer and endorsed President Aliyev during a critical moment in the presidential elections. Russia's Rosneft and SOCAR have just signed a joint venture. Azerbaijan is able to have a relatively—a very, actually, I would say, independent foreign policy. Does not have Russian military bases. It does not have a Russian ethnic minority. It is economically independent of Russia. Russia is not as big as trading partner.

So Azerbaijan is able to use these situations to its advantage. And it is using the current crisis and the attention paid to Ukraine and to energy issues to carry out a domestic crackdown. There is no reason to suppose that the crackdown is somehow inspired by either Russia or Iran. Azerbaijan changes the subject. And what it can do and what it has seen it can do over the last 10 years of participating in Council of Europe and more than 10 years, 20 years of participating in the OSCE is that it can change the subject away from its human rights and domestic—the democracy obligations to subjects of energy and security and never have to address the

human dimension. They have seen that indeed, they can go from just joining the Council of Europe to taking up important positions within it, that they can go from just being a participant in the OSCE to actually hosting the parliamentary assembly and not improve. ODIHR has monitored eight elections, national elections in Azerbaijan since 1995. Their recommendations have never been—they—each time they issue recommendations, there is no follow-through on that from Azerbaijan.

You raised in the last panel coming up with some specific benchmarks. You could take recommendations from ODIHR. You could take political prisoners, release of political prisoners, treatment of NGOs. You could also draw their attentions to some strong anti-American statements that come from high levels of Azeri government, like the head of the presidential administration, who blames American NGOs for the revolution in Ukraine, for instance. You could note the treatment of Senate staff when they met with Azerbaijan's opposition journalists. They were denounced in the press. They were denounced by parliamentary members of Azerbaijan. And that's treatment of Senate—of Corker's staff that—Azerbaijan wants to have part of a relationship but not others, and they simply can't—simply can't have.

Mr. CARDIN. Give you your top three in priority order that you would like to see progress made, that you believe, knowing the politics of the region, could be achieved?

Mr. LANSKOY. They could easily repeal the NGO—the new NGO legislation. That would just return it, in terms of a benchmark, return it to a few years back, say. And you could come up with specifics. We could work with ICNL (ph) to come up with some, you know, very technical specifics. They could release political prisoners. They could start with the 19 identified by Amnesty International as prisoners of conscience. And they could undertake working seriously with ODIHR to follow up on specific—on specific ODIHR recommendations.

Mr. CARDIN. That's very helpful. Thank you.

Mr. Smith.

Mr. SMITH. Thank you very much, Mr. Chairman. Just let me ask a couple of questions.

On Monday I returned from four days on the ground in Abuja in Nigeria—second trip is in about 10 months. I was in Jos last September where a number of Christian churches had been firebombed by Boko Haram. This time I met with a number of survivors again, including one of the Chibok girls, who—and a father whose two daughters were among the Chibok abductees, and he's Muslim—a moderate Muslim but Muslim nevertheless, although Christians are targeted.

We know just from reading yesterday's newspapers that a major gain has been made by the radical Islamists in Iraq. Afghanistan is a cauldron, and getting worse. Syria remains a place where both sides are slaughtering people, especially Christians. I've held several hearings on the fact that the rebels, particularly the disparate elements who are radical Islamists, have been slaughtering Christians by design, not as collateral—they're in the way but simply targeting Christians.

And two weeks ago I chaired a hearing with Robert George of the Commission on International Religious Freedom. He was very concerned—and I know it was just mentioned in testimony that there is a concern that on religious freedom we have not stood up as robustly as we could. There have been no CPC designations since 2011. Those that are in force have lapsed. Another list of countries that ought to be CPC have not been put on the list. There has been no ambassador-at-large for half of the president's tenure. We hope someone with the credentials of Rabbi Saperstein may soon emerge as the person to be ambassador-at-large for international religious freedom, but delay is denial.

And Robert George, again, the chairman of the religious freedom commission, said that Azerbaijan is a Tier 2 country right on the bubble, if you will, in terms of religious persecution. So there is this surge going on everywhere. I see it all over Africa. My committee is Africa, Global Health, Global Human Rights, and so I'm frequently there. And the chairman knows because he follows Africa like the back of his hand as well, these organizations in the Middle East and everywhere else are—this is not ebb tide; this is surge. And I'm wondering if you could speak to how this is impacting Azerbaijan. Where are they in terms of the intolerance? Are they batting any worse? You mentioned 19 political prisoners, and I think your recommendation to visit, or try to, is an excellent one.

Last year when we were in Baku, led so ably, our delegation, by Senator Wicker, we had a very, very frank discussion with the president, with Aliyev, and we raised human rights issues point by point. And I think he was a bit miffed that it was such a blunt conversation, but all members joined in. It was a very good discussion. So of course we'll do that again. And I know Senator Cardin never holds back, nor do I, especially when it comes to human rights. So this religious freedom issue, which seems to be festering as never before, and your thoughts with regards to Azerbaijan.

Secondly, one of the issues I raised with the president last year—since 1982 I have been raising the issue—I've been in Congress 34 years now—particularly as it relates to the People's Republic of China with the aggressively anti-female policy of sex-selection abortion. China is now missing 100 million girls. Worldwide, especially in India and in China, the three most dangerous words are: It's a girl. And after five months, when an ultrasound is done, very often if discovered that it's a girl she is killed. She's decimated, exterminated. Now, we raised that in Baku because in Azerbaijan there is a serious, serious problem of sex ratios of more boys than girls, and I'm wondering if you've seen those reports, your thoughts on that, because a girl child is being targeted. And of course this then becomes a magnet for human trafficking.

The reason why China is on Tier 3 lists—and I wrote the Trafficking Victims Protection Act of 2000. Last year Secretary Kerry wisely put China on Tier 3, liable to sanctions, simply because of the magnet that the missing girls has created when systematically they have been exterminated since 1979 through sex-selection abortion, maybe as many as 100 million missing daughters. Azerbaijan, nowhere near the same aggregate numbers but they have a serious problem, and I'm very worried that there will be a nexus with traf-

ficking into Azerbaijan because of the missing girls. Do you see any of that?

Finally, the political prisoners that you would recommend that we meet with, perhaps privately or now, you know, if you had an order of who it is that you think we should go all out as a commission to meet with, please tender that list.

Mr. LANSKOY. So thank you. That was very comprehensive.

In terms of who to meet with, I realized just now that neither me nor the previous speakers mentioned NIDA youth group, they're eight youth activists who just received long prison terms as well. We could come up with a list. I think taking Amnesty's 19 and maybe choosing some from different categories—there are some journalists that are in prison—maybe also looking at people who have been in jail longer. The list that Leyla Yunus put together has 130 people. That's an Azeri NGO and they've been tracking it since the '90s. Some of their political—some of the political prisoners they identify have been there much longer, since the '90s, for instance.

So we can come up with different types of activists. If you're interested in meeting religious activists, there are some that are imams that had drugs planted on them, for instance, that you may choose to try to see.

In terms of freedom of religion, in Azerbaijan the main issue is not—Dr. Shaffer has pointed out that Jews have always been welcomed and are seen as—and generally in the Caucasus that's the case. Jews are seen as a native—have been there for 2,000 years and are seen as a native. So it's not so much Jews or even Christians. I think it's a much smaller Christian community, but different strands within Islam, and whether mosques are registered or unregistered and whether they belong to a spiritual board.

There's a license board that has a near monopoly on religious observance, and those laws have also been tightened in 2000. There was amendments to the law, or a new law, in 2009, and those have been used to make illegal Muslim practice outside of a very narrow range. That, I believe, is the main issue that has led to more and more prisoners, and also that the religious can be government critics.

It is not necessarily about maintaining a kind of monopoly on religious practice, but it's also that certain imams emerge as critics of the government and they are the ones who are being—who are being put in jail. So I think that that's definitely an important issue in Azerbaijan as well. As you probably mentioned also, there are different—among Christian groups—Baptists, Jehovah's Witnesses, so forth—groups that are newer to Azerbaijan that also can be subjects of harassment.

Mr. SHAFFER. You know, Azerbaijan is far from perfect on human rights and democracy, and it's good that there is the dialogue with the U.S. government, with the U.S. Congress on these issues. Religious freedom is not the issue. All the different—the important examples you gave of extremism, of discrimination against women, against—the country isn't perfect but this is the one area where they should be getting the star on their report card and not—and not—and not the criticism.

There are fine lines. When you look at, for instance, the idea of freedom for NGO financing and prevention of terror financing, even in U.S. legislation finding that proper balance where you allow an organization to be free and to associate with who it wants and to promote what it wants, on the other hand to prevent moving of funds—I mean, the U.S. government is the leader around the world at preventing of terror financing. Then when one of its allies implements this legislation, prevents money transfers from Iran from extreme religious organizations, it's criticized by the U.S. government.

The idea of proselytization that have been related to—in U.S. reports this comes out as prosecution against Christian minorities. These are not native minorities. These are not people that were born in Azerbaijan. These are people that come to proselytize in Azerbaijan. I know I've spent a big chunk of my life in Israel. It also has a law against proselytization. I'm very—and I'm very happy it does so that people can actually be free from coercion and be free from constant inundation of religious propaganda.

Mr. SMITH. You're not suggesting that when somebody proselytizes there's an element of coercion in it, are you?

Mr. SHAFFER. It depends. If you are—if you're a—

Mr. SMITH. In Israel?

Mr. SHAFFER. In Israel there's a law that prevents it, actually, so there isn't—there isn't—and again, there's been questions in the U.S. national commission on religious freedom—

Mr. SMITH. I mean, free speech is involved here as well.

Mr. SHAFFER. Sorry?

Mr. SMITH. Free speech is involved here as well.

Mr. SHAFFER. I think—you know, from research even that I've read of the commission on religious freedom, that the issue of—right to proselytization and freedom from harassment is a very fine line where the commission—again, maybe in the next hearing a commission member can speak on this, but it's a fine line where I don't think there's any consensus where freedom of—where freedom of religion starts and where freedom from harassment starts. So it's very—I don't think that's—the right to proselyte, is that something that the U.S. wants to promote around the world even if an independent government wants to see it in a different way?

Even the question of who's a—who's a political prisoner. A number of the defined political prisoners by the EU in Europe—in Azerbaijan, excuse me, are actually people that were tried for receiving funds from Iran and being members of terrorist organizations that worked to—had plots to blow up the U.S. embassy, kill the U.S. ambassador, blow up the Israeli embassy, kill leaders of the Jewish community in Azerbaijan. So again, member in a terrorist organization or political prisoner? It's a very—defined quite differently by different organizations.

The question of human trafficking, I don't—I don't think there's any prominent citizen of Azerbaijan, researcher, who would not say their government has worked strongly to prevent trafficking, that this is something that's very—part of the government policy. It's not just part of the nongovernment policy. And the government has also worked against early marriage—of course, marriage of young girls in Azerbaijan—again, at times criticized by human rights or-

ganizations. Why are there—why are there laws, you know, preventing the child to do what the parent wants when their goal is to—is to preserve the freedom of the child?

Mr. SMITH. And the missing girls?

Mr. SHAFFER. I'm not aware on the—of this issue of the—

Mr. SMITH. OK. Just with all due respect on the proselytization issue, if there was coercion involved where people are being told they must, that's one thing. And it's a difficult line of demarcation between harassment—I mean, the free speech ought to be as unfettered as possible, and that goes for religious freedom as well.

So I would hope that, you know, if somebody wants to take either the Gospel or any other faith-based creed and bring that to a country—of course, we hope they would do it with sensitivity to the local culture, but I think we have to be very careful to ever construe that to be coercion. Coercion is physical or some other kind of compulsion with real consequences, often beatings or economic penalties. I don't see preachers doing any of that. So I would hope that, you know, we would be very careful about how we define coercion. Thank you.

Thanks, Ben.

Mr. CARDIN. Well, let me thank both of you for your testimony. It's been extremely helpful to us, and particularly in trying to set up priorities for our visit as to where we can make the most impact, and we will certainly take that information into consideration. We work very closely with our State Department, who also will supply us with comparable information of where we think it's important to try to strengthen the ties between our two countries and to see the type of progress made that helps promote that type of improvement of our bilateral relationship.

With that, the hearing will stand adjourned. Thank you all very much.



# APPENDIX

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## PREPARED STATEMENTS

PREPARED STATEMENT OF HON. BENJAMIN L. CARDIN, CHAIRMAN, COMMISSION ON  
SECURITY AND COOPERATION IN EUROPE

Good morning and welcome to today's hearing on the security, economic and human rights dimensions of the U.S.-Azerbaijan relationship. I am looking forward to leading a congressional delegation to Azerbaijan at the end of this month where we will attend the OSCE Parliamentary Assembly Annual Session, and have bilateral meetings as well.

Azerbaijan has consistently been at the forefront of Commission attention since its independence, and for good reason: the United States considers Azerbaijan an important friend and partner in the region and that means we care deeply about its development.

The Nagorno-Karabakh conflict is a serious obstacle to regional stability, security and prosperity, and certainly is an issue where we want to see progress because the status quo is not sustainable. I look forward to discussing today how we might further the OSCE Minsk Group discussions toward a solution to this conflict.

The US and Azerbaijan have a history of strategic cooperation. Azerbaijan has played an important role in the Northern Distribution Network. It has troops serving on the ground in Afghanistan. It made a strong statement in support of Ukraine's territorial integrity by voting with the United States in the UN Security Council. So while we have significant concerns, we also have much to celebrate with Azerbaijan.

The domestic political situation in Azerbaijan is troubling because Azerbaijan is moving in the wrong direction. While we have consistently seen problems with freedom of the media and freedom of association, the last two years have seen a high number of arrests and convictions of activists that all bear the hallmark signs of politically-motivated prosecutions. In addition we have seen journalists such as Khadija Ismayil and Rauf Mirkadirov, and human rights defenders such as Leyla Yunus harassed or detained. The election of President Ilham Aliyev last year was criticized by the OSCE and by the Council of Europe. Our concern is that rather than working to live up to its commitments in the OSCE and the Council of Europe, Azerbaijan is instead heading toward greater authoritarianism. We want to work with Azerbaijan to change that trend.

Often in the world of international affairs we see things in only black or white. Something is either good or bad and there is little room for nuance. But I believe that our relationship—our friendship—with Azerbaijan requires us to be honest and sincere. Sincere in our appreciation for the things where we agree, and honest in the areas where we see problems. The United States needs a stable and prosperous Azerbaijan. But absent real democratic progress, we will not see true stability or development.

PREPARED STATEMENT OF CHRISTOPHER SMITH, CO-CHAIRMAN, COMMISSION ON  
SECURITY AND COOPERATION IN EUROPE

This is a very timely hearing as the Commission prepares to visit Baku for the OSCE Parliamentary Assembly's annual session. As we prepare to visit Baku, I believe it's imperative for this Commission to discuss the grave deterioration of human rights in Azerbaijan over the past few years.

I have in front of me here a timeline prepared by Commission staff of all of the politically-motivated harassment of journalists, prosecution of the opposition, and jailing of activists. It's amazing how in just the last two years the government of Azerbaijan has changed for the worse.

In March 2012 a reporter for RFE/RL, Ms. Khadija Ismail, was humiliated and blackmailed when an intimate video of her filmed covertly in her apartment was released to the public. She has continued to be harassed and called in for questioning and I have no doubt that this harassment is due to her tenacity in researching and reporting corruption at the highest levels of government.

In February 2013 Azerbaijan changed its law on non-governmental organizations to follow the harsh model set by Russia.

In February 2013—two opposition politicians, Mr. Tofiq Yagublu of the opposition Musavat Party and Mr. Ilgar Mammadov, chairperson of the opposition group REAL, are arrested on charges of orchestrating anti-government protests. They have now been sentenced to lengthy jail terms.

In July 2013, despite pledges to do otherwise, Azerbaijan enacted its law on criminalization of online defamation. Azerbaijanis face jail time of up to three years for content they post online.

In December 2013, Mr. Anar Mammadli, head of the Election Monitoring and Democracy Studies Centre (EMDS) in Azerbaijan, is placed in pre-trial confinement pending his trial on charges of illegal enterprise, tax evasion and abuse of authority. Mammadli was previously questioned on numerous occasions after EMDS issued a report documenting widespread electoral violations during the October 2013 election. He has now been sentenced to a lengthy jail term.

Unfortunately, these are only a few of the many cases over the past two years. While we all recognize the important role Azerbaijan plays in the energy sector, and we also recognize that Azerbaijan has carved out for itself a forward-leaning international relations policy that seeks to balance the pressures from Russian and Iran with friendly relations with the U.S. and Israel, the special role of this commission is to urge and insist that OSCE governments meet their human rights commitments. As a participating State in the OSCE and as the chair of the council of ministers of the Council of Europe, Azerbaijan has indicated that it wants to be a part of the world community. It wants to be seen as a leader. If that is the case, then we need to see more leadership, and less authoritarianism.

I look forward to hearing the testimony today. Thank you.

## PREPARED STATEMENT OF ERIC RUBIN

Mr. Chairman, Members of the Commission, thank you for inviting me to speak to you today about our bilateral relationship with Azerbaijan. I would also like to thank you for the Commission's strong efforts to promote the principles of the Helsinki Final Act at this critical moment in the region's history. Your participation in the OSCE Parliamentary Assembly election monitoring mission in Ukraine two weeks ago sent a powerful signal that the United States will support free and fair elections in the OSCE region and throughout the world. Your upcoming participation in the OSCE Parliamentary Assembly Annual Session in Baku will serve as an important means of examining how OSCE member states are living up to the pledge to provide "human security" for all their citizens.

Our partnership with Azerbaijan remains an important aspect of our engagement in the Caucasus. For over twenty years, the United States has been working with Azerbaijan to promote a secure, prosperous, and democratic society. Since 1992, we have provided approximately \$1.1 billion in assistance to pursue these goals.

My testimony today will focus on three core areas of this bilateral relationship. First, I will talk about our security cooperation. Second, I will look at our evolving economic relationship, including energy diversification and our efforts to promote economic reform. Finally, I will briefly examine the country's democratic development—DAS Melia will cover this in greater detail.

First, Azerbaijan has been a key partner for the United States and NATO from Kabul to Kosovo. Azerbaijan currently has 94 troops serving in Afghanistan and has committed to remain involved in the country beyond 2014. It has completed missions to Iraq and Kosovo. Azerbaijan is a key node in the Northern Distribution Network and air route sending non-lethal goods in and out of Afghanistan. Thousands of containers go through customs and thousands of state and commercial flights transit Azerbaijan each year.

As such, strengthening Caspian security, countering terrorism, stemming the proliferation of weapons of mass destruction, and enhancing maritime domain awareness continue to be top priorities for U.S. assistance to Azerbaijan. Since we began providing security assistance in 2002, the United States has been working to strengthen Azerbaijan's capacity to monitor the Caspian and protect critical energy infrastructure. Over the past 12 years, we have provided \$44.4 million in Foreign Military Financing and \$9.9 million in International Military Education and Training and Export Control and Border Security programs that focus on military professionalization, building operability, and enhancing border security. And we are providing approximately \$4 million in fiscal year 2014.

Where we do provide security assistance to Azerbaijan, we are careful to ensure it is used in full compliance with the law—including Section 907 of the 1992 Freedom Support Act and the waiver authorities for U.S. efforts to counter terrorism, support the operational readiness of U.S. Armed Forces or coalition partners to counter terrorism, ensure Azerbaijan's border security as long as it is determined that such assistance will not undermine or hamper ongoing efforts to negotiate a peaceful settlement to the Nagorno-Karabakh conflict between Armenia and Azerbaijan or be used for offensive purposes against Armenia.

And the United States is working diligently to facilitate a peaceful settlement to the Nagorno-Karabakh conflict. As a co-chair country of the OSCE Minsk Group, along with France and Russia, the United States has worked in recent months to articulate the substantial benefits that peace would bring to people across the region. In doing so, we are focusing on pragmatic steps to bring the sides into negotiations on a peace agreement based on the core principles of the UN Charter and the Helsinki Final Act. We hope the presidents of Armenia and Azerbaijan will agree to meet in the near future to continue the constructive dialogue begun at their summit last November. It also is important that both governments support Track II efforts to build people to people contacts between Azerbaijanis and Armenians. These kinds of confidence building measures can help to prepare citizens of both countries for peace. We are troubled by the recent arrest of well-known journalist Rauf Mirkadirov, the subsequent investigation of Leyla Yunus and her husband Arif Yunusov, their poor treatment by the authorities, and confiscation of their passports. All three have been strong proponents of the Track II process and the Azerbaijani government's actions will have a chilling effect on any contact between Azerbaijanis and Armenians. DAS Melia will elaborate further on this point in his testimony. Helping both sides resolve this conflict is a key element of our relationships with both Azerbaijan and Armenia, and we fully support the Minsk Group co-chairs in their efforts to facilitate a more constructive phase of negotiations.

Second, the United States enjoys growing economic cooperation with Azerbaijan, particularly in the area of energy. As Europe looks more resolutely to diversify its

sources of energy away from its dependence on Russia as part of its energy security strategy, Azerbaijan is emerging as a potentially crucial supplier of diversified natural gas supplies for our European allies, and the United States has been a long-standing supporter of Azerbaijan's efforts to provide its energy resources to European markets. The Baku-Tbilisi-Ceyhan oil pipeline, which began operating in June 2006, represents the first direct transportation link between the Caspian and the Mediterranean seas. At full capacity, it can deliver more than one million barrels of oil per day to market. The BTC pipeline was an early success for our Southern Corridor diplomacy, and now we are focused on developing a gas link between Azerbaijan and Europe. The construction of the Trans-Anatolian Pipeline across Turkey and the Trans-Adriatic Pipeline to southern Italy will complete the Southern Gas Corridor, bringing Caspian gas to western Europe for the first time. Last December, after more than a decade of U.S.-led energy diplomacy in support of the Southern Gas Corridor, a final investment decision was made on this project, which will bring 10 billion cubic meters of natural gas—and potentially more—through this network of pipelines from Azerbaijan across six countries to western Europe starting in 2019.

While energy remains an important part of our bilateral economic relationship, it is not the only focus. Given our close cooperation on the Northern Distribution Network and our ongoing transition in Afghanistan, we are actively encouraging Azerbaijan and its neighbors to take advantage of this important window of opportunity to transform the NDN into a commercial network for trade and investment when many freight forwarders are still in the region.

Azerbaijan and its neighbors could become a premier trade and transportation corridor between Europe and Asia, but to do so, they must first reduce costs associated with high customs and tariffs and address delays caused by a lack of regional coordination. Time is of the essence, and the United States supports reforms that will create sustainable sources of non-oil revenue in Azerbaijan and new opportunities for U.S. exports and investment. For instance, Azerbaijan likely will obtain the necessary certifications to operate direct passenger and cargo flights to the United States this year.

The United States also promotes the export of U.S. goods and services to Azerbaijan. Azerbaijan has already purchased hundreds of millions of dollars worth of airplanes and a communications satellite from the United States, and it will undoubtedly purchase more in the future. U.S. agricultural firms are interested in selling heavy equipment and technology, and American oil companies want to explore and develop new oil and gas fields in the Caspian to supply the Southern Corridor. The United States also supports Azerbaijan's accession into the WTO and the rules-based system in which its members participate. Opportunities for U.S. exports could increase significantly.

In this context, it is important to note the role that corruption plays in the entire OSCE space, and Azerbaijan is no exception. It is a blight that tears at the economic, political, and social fabric of society, weighing on the country's economic potential, driving up inefficiencies, and scaring away foreign direct investment. Working with the Government of Azerbaijan and local partners, the United States is committed to enhancing our efforts to address this. Ultimately, countries with strong checks and balances including a strong and independent judiciary and apolitical civil service—are most likely to be effective in combating corruption.

Finally, our strongest relationships world-wide are with democracies that respect the full range of human rights of their citizens. We seek strong cooperation on democratization with Azerbaijan, just as we collaborate closely on security and economic issues. Azerbaijan's respect for human rights and fundamental freedoms, and progress on democratic reform is key not only to strengthening our bilateral relationship, but also to Azerbaijan's own long-term stability. We have some serious concerns about the environment for democratic development and the protection of human rights in Azerbaijan, which has been deteriorating. My colleague Tom Melia will touch more on that in a moment.

I want to emphasize that the United States remains committed to a constructive dialogue with Azerbaijan based on friendship between our people and mutual respect between our governments. But a constructive dialogue means that we can and must have frank and honest discussions in areas where we disagree. Discussing matters of agreement and disagreement in a candid way is part of the nature of a serious dialogue.

Going forward, our relationship will continue to be based on these three core areas—security cooperation, economic and energy cooperation, and democratic development. Our mission remains to address each of these three areas with equal rigor and resolve. And we are committed to working with Congress in a bipartisan manner in our efforts to realize each of these and the full potential of this relationship.

Thank you.

## PREPARED STATEMENT OF THOMAS O. MELIA

Mr. Chairman, Members of the Commission, thank you for inviting me to speak to you today about the democracy and human rights dimension of U.S.-Azerbaijan relations in advance of your visit to Baku later this month for the OSCE Parliamentary Assembly Annual Session. My colleagues at the State Department and I greatly appreciate the dedication of you and your fellow Commissioners and your staff to the OSCE and its institutions—especially to the enduring principles enshrined in the Helsinki Final Act and the body of commitments that comprise the OSCE’s “human dimension.” We also greatly value our regular consultations with you and your staff.

I would like to start by referring to a key principle of the OSCE, as set forth in the 1991 “Moscow Document” and notably reaffirmed in the 2010 Astana Summit Declaration, in which OSCE participating States agreed unanimously that:

issues relating to human rights, fundamental freedoms, democracy and the rule of law are of international concern, as respect for these rights and freedoms constitutes one of the foundations of the international order. They categorically and irrevocably declare that the commitments undertaken in the field of the human dimension of the OSCE are matters of direct and legitimate concern to all participating States and do not belong exclusively to the internal affairs of the State concerned.

This concept linking respect for human rights *within* states to lasting security *among* states is reflected in our multilateral interactions and in our bilateral relationships with all OSCE participating States, including Azerbaijan. It forms the basis on which the United States continues to support efforts to advance democracy worldwide. In Azerbaijan, this constitutes one of three equally important core goals, which Deputy Assistant Secretary Rubin has just spoken to. U.S. officials at all levels in Baku and Washington regularly highlight the importance of respect for human rights and fundamental freedoms, rule of law, and other basic building blocks of democracy, publicly and privately. U.S. officials regularly meet with a variety of Azerbaijanis, ranging from government officials to civil society activists and opposition political party representatives.

While serving as Deputy Assistant Secretary of State, I have visited Azerbaijan three times, holding valuable meetings with leading government officials, including President Ilham Aliyev, as well as with opposition political leaders, civil society actors, and journalists. I have been joined on these missions to Azerbaijan, as well as to other countries, by senior colleagues from the Department of State’s European and Eurasian Affairs Bureau, USAID, and the Department of Justice. I believe these are important opportunities to listen to Azerbaijanis inside and outside of government, to share with them our thoughts, and to demonstrate that we do care about all three dimensions of the relationship. Indeed, I would like to visit Azerbaijan again soon to continue these conversations.

The United States also provides assistance to support Azerbaijan’s democratic development efforts, with an emphasis on support for civil society, independent media, and rule of law. The largest part of this assistance is provided by our colleagues at USAID, and we in the State Department work very closely with them to ensure that these programs are neatly lined up with our overall policy priorities. Similarly, we work closely in Washington and Baku with the legal experts provided by the Department of Justice in the Overseas Prosecutorial Development Assistance and Training program. Our inter-agency partnership is working very well.

Just two weeks ago, on May 28, Azerbaijan celebrated the 96th anniversary of the day in 1918 on which it became the first majority Muslim, democratic republic in the world. The Azerbaijan Democratic Republic lasted only 23 months, until it was invaded by the Soviet Red Army and forcibly incorporated into the nascent Soviet Union, where it remained captive for more than seven decades. Since Azerbaijan regained its independence in 1991, it has begun to modernize, and its people have become more integrated into the wider world.

With regard to building democratic institutions and developing democratic norms, Azerbaijan has taken some positive steps. For example, it established six administrative government service centers in Baku and the regions (known as “ASAN,” which means “easy” in Azeri) intended to eliminate corruption by public officials at the local level. More broadly, however, we have been seeing increasing constraints on fundamental freedoms that increase the risk of domestic instability, undermine confidence the rule of law will be respected, and prevent Azerbaijanis from reaching their full potential.

Five years ago, it was already difficult for advocates of democratic reform—especially opposition political parties—to participate in the political life of the country,

but it was still possible for NGOs and independent activists to operate. The environment has worsened significantly since then, beginning with the 2009 incarceration of young democracy activists Emin Milli and Adnan Hajizade. Although they were released in 2010, the suppression of peaceful dissent increased in 2011, with the arrests of young Azerbaijani activists who sought to organize peaceful pro-democracy rallies in Baku. The *Milli Mejlis* (Azerbaijan's parliament) passed legislation significantly increasing fines on participants and organizers of unauthorized protests in November 2012, which resulted in the detention of numerous peaceful pro-democracy activists for baseless administrative violations. Since early 2013, the space for peaceful dissent has narrowed more dramatically, and the exercise of fundamental freedoms has become still more tenuous. A number of leading peaceful democracy advocates, civil society activists, and journalists have been incarcerated, including presidential candidate and chairman of the democratic reform-oriented REAL Movement, Ilgar Mammadov; opposition journalist and Musavat Party Deputy Chairman Tofiq Yagublu; members of democratic youth movements; blogger Abdul Abilov; religious scholar and activist Taleh Bagirzade; *Khural* Editor Avaz Zeynalli; and the chairman of NDI's local election monitoring partner, the Election Monitoring and Democracy Studies Center (EMDS), Anar Mammadli.

Additionally, two rounds of legislative amendments since March 2013 have restricted NGO funding and activity. Officials have pressured Azerbaijani and international NGOs, including some USAID implementing partners, which in some cases have been subject to investigations by the tax and justice ministries. Authorities also launched a criminal investigation of EMDS—which has been a recipient of USAID and European assistance—and another election monitoring NGO, the International Cooperation of Volunteers (ICV) Public Union, soon after the flawed October 2013 presidential election. Such actions have resulted in an increasingly hostile operating environment for civil society, especially for those activists and groups advocating respect for human rights, fundamental freedoms, and government accountability; thereby depriving citizens the open channels through which they can voice their concerns. Pressure on independent defense lawyers has resulted in a decreasing number of such lawyers ready to defend individuals in sensitive cases.

Restrictions on the ability of selected Azerbaijani activists to travel outside of the country are also a problem, calling into question the extent of the government's commitment to freedom of movement, a founding tenet of the OSCE. For example, since 2006, the government has prevented the foreign travel of opposition Popular Front Party Chairman Ali Karimli by refusing to renew his passport. Today in Bern, the OSCE's Office for Democratic Institutions and Human Rights is discussing the important role of human rights defenders in OSCE participating States. Sadly, one of Azerbaijan's leading human rights defenders, Leyla Yunus, was unable to attend the event, because Azerbaijan's authorities confiscated her passport—as well as her husband's—in April. This confiscation occurred in the context of the April 19 arrest of well-known journalist Rauf Mirkadirov, the subsequent questioning of Leyla Yunus and her husband about Mirkadirov, and their poor treatment by police authorities. All three have been strong proponents of people-to-people diplomacy, which helps build ties between Azerbaijanis and Armenians and is crucial to the peaceful resolution of the Nagorno-Karabakh conflict. The peaceful resolution of this conflict will open borders, increase security, and create new opportunities to trade, travel, and engage across the region. Authorities also have prevented some in the international human rights community from visiting or returning to Azerbaijan.

These are not the kinds of actions the United States or the broader international community wants to see from a partner, an OSCE participating State, and currently the chair of the Committee of Ministers of the Council of Europe.

When President Obama spoke last month at the West Point commencement, he explained that:

America's support for democracy and human rights goes beyond idealism—it is a matter of national security. Democracies are our closest friends and are far less likely to go to war. Economies based on free and open markets perform better and become markets for our goods. Respect for human rights is an antidote to instability and the grievances that fuel violence and terror.

And he noted that,

In capitals around the globe—including, unfortunately, some of America's partners—there has been a crackdown on civil society.

We recognize that Azerbaijan lives in a very difficult neighborhood and that its government seeks stability. The United States strongly supports Azerbaijan's long-term stability, security, and prosperity. The best way to guarantee such a future is to strengthen democratic processes and institutions to buttress respect for the rule

of law and fundamental freedoms. Doing so will foster long-term internal stability, create the most inviting environment for economic investment and growth, and make Azerbaijan the very best that it can be, by giving every citizen the freedom and space to achieve his or her full potential, thereby maximizing the contributions of all of its people. We consider this to be in both the short-term and the long-term interests of both the people and the government of Azerbaijan. The U.S. Embassy in Baku and we in Washington have been active on these issues and have made these points. For example, Ambassador Morningstar has been doing an outstanding job in advocating publicly as well as privately for an environment conducive to a vibrant civil society and in raising specific impediments to such an environment.

The United States believes that Azerbaijan will have *greater* stability and prosperity, and will more quickly reach its full potential, by allowing a more open society. We therefore will continue to support Azerbaijani efforts to advance the country's democratic potential, including respect for rule of law, human rights, and fundamental freedoms. We will continue to urge Azerbaijan to live up to its OSCE commitments and other international human rights obligations. We will also encourage Azerbaijan to take advantage of its chairmanship of the Council of Europe to take concrete steps on important democracy and human rights issues. The positive changes we advocate would benefit both the people and the government of Azerbaijan. Such changes would also make it easier for us to expand and deepen our bilateral relationship, since our strongest relationships are with democratic states that respect the full range of human rights of all of their citizens.

As President Obama indicated in his recent message marking Azerbaijan's National Day, and to return to where I began, we encourage Azerbaijan to reclaim the leadership role on human rights and fundamental freedoms that its people and government demonstrated 96 years ago.

Thank you again, Mr. Chairman, for this opportunity to discuss democracy and human rights trends in Azerbaijan and our overall bilateral relationship.



## PREPARED STATEMENT OF MIRIAM LANSKOY

I am grateful to the Helsinki Commission for holding this very important hearing at a crucial historical junction and for giving me the opportunity to speak about the state of democracy and human rights in Azerbaijan.

The National Endowment for Democracy (NED) is a private, nonprofit foundation dedicated to the growth and strengthening of democratic institutions around the world. NED has been working in Azerbaijan since the mid-1990s and maintains a large portfolio of projects. Defending human rights, a traditional focus of the NED, remains a high priority in Azerbaijan. Programs include monitoring, reporting on, and providing legal assistance to victims of human rights abuses. NED's programs also focus on expanding the capabilities of independent news providers.

Through membership in international organizations, including the UN, the Council of Europe, and the OSCE, Azerbaijan has committed itself to the protection of human rights and fundamental freedoms. However, despite long term engagement of Azerbaijan with these organizations, rights enforcement is highly selective and superficial. Azerbaijan manages to obtain the prestige associated with participation in international organizations without fulfilling the basic conditions of membership. When it joined the Council of Europe (CE) in 2001 it was understood that Azerbaijan was not meeting the requirements, but it was expected that participation in the CE would stimulate greater democratic development. Nevertheless, twelve years later Azerbaijan still has not met those basic criteria.

As of May 2014, Azerbaijan is the Chairman of the Committee of Ministers of the Council of Europe, a body charged with ensuring compliance with the judgments of the European Court for Human Rights. However, Azerbaijan has not itself complied with numerous ECHR judgments, particularly those related to freedom of association and the release of political prisoners. And though Azerbaijan is not in compliance with basic norms of human rights, freedom of speech and association that are a fundamental part of its OSCE obligations, it is about to host the Parliamentary Assembly of the OSCE at the end of this month.

Despite participation these international forums, over the last decade freedom in Azerbaijan has declined substantially. Overall, the country has gone from semi-free to a state of consolidated authoritarianism. In the Nations in Transit index published annually by Freedom House Azerbaijan shows a steep decline in every category of governance over the period from 2003 to 2013, with the overall score declining from 5.6 to 6.6. As a result, Azerbaijan is much closer to Uzbekistan's 6.9 rating than Georgia's 4.7.

In an overall context of declining freedom, the last year has seen a particularly rapid backsliding especially with respect to political prisoners, freedom of speech, and pressure against NGOs. In 2013 there had been a marked increase in grass roots protests sparked by instances of official abuse of power and social injustice. In January and March 2013 peaceful protests in Baku were violently dispersed, including the use of water cannons and rubber bullets. There were dozens of arrests and new prohibitions on freedom of assembly, on NGOs, and the media. This was the year of the presidential election and the crackdown was expected to diminish after those elections were held in October. However, it has continued unabated with long prison sentences handed down to civil society leaders.

Recent events in Ukraine have major implications for Azerbaijan, and are seen as part of the reason that the crackdown on government critics has continued. Some have conjectured that the Maidan protests, which toppled the corrupt government of President Viktor Yanukovich in Ukraine may have rattled nerves in Baku. However, since Ilham Aliev came to power in 2003, there have been revolutions in Ukraine, one in neighboring Georgia, two in Kyrgyzstan, and several in the Middle East that have had no appreciable effect on Azerbaijan.

There are two other dimensions of the crisis in Ukraine that have even greater significance for Azerbaijan. Russia's annexation of Crimea sets a worrisome precedent for the region and may have implications for Nagorno-Karabakh and other frozen conflicts. The annexation of Crimea means that Russia is the arbiter of borders on the territory of the former Soviet Union and can decide these questions unilaterally and arbitrarily.

The crisis in Ukraine has also made the diversification of energy supplies a higher priority for Europe and a major opportunity for Azerbaijan to become a more significant regional transportation hub for gas. There has been a flurry of diplomatic activity by Baku to seek out more partners for various potential pipeline schemes. Baku is seizing the opportunities to extend its influence internally, while at home it is taking advantage of the crisis to silence government critics. The crisis in Ukraine has multifaceted implications for Baku, and for that reason Azerbaijan votes in support of Ukraine's territorial integrity at the UN, while domestically, the head of the

presidential administration Ramiz Mekhtiev tells the media that the revolution in Ukraine was instigated by international NGOs whose work in Azerbaijan is suspect and should be drastically curtailed.

In the interest of time I am limiting my remarks to particularly egregious cases of political imprisonment and new onerous requirements against NGOs. It should be mentioned that there are numerous other problems related to freedom of assembly, freedom of speech, and elections. They are documented in numerous reports, including the ODIHR monitoring report of the October 2013 presidential election and the DOS Annual Human Rights Report, as well as numerous reports by Azerbaijani and international NGOs.

#### POLITICAL PRISONER:

The number of political prisoners continues to grow. The Institute of Peace and Democracy in Baku documents 130 political prisoners including persons who have been in jail since the 1990s. Amnesty International has recognized 19 prisoners of conscience from among the activists arrested since January 2013. In September 2013 Human Rights Watch published a comprehensive report, *Tightening the Screws: Azerbaijan's Crackdown of Civil Society and Dissent*, which details spurious cases against activists, human rights defenders, and journalists. I'd like to draw your attention to just a few of these cases.

In March 2014, two prominent opposition figures, journalist Tofiq Yaqublu of the Musavat party, and Ilgar Mammadov of REAL, were sentenced to five and seven year sentences on false charges of inciting rioting in the town Izmaily, where they in fact arrived a day after the riot had occurred. Both men are considered Amnesty International prisoners of conscience. In its May 2014 ruling in Mammadov's case, the European Court of Human Rights, found that Azerbaijan is in violation of articles of the convention, including Articles 5 and 18, and awarded damages to Ilgar Mammadov. The ECHR found that "the actual purpose of the impugned measures was to silence or punish the applicant for criticising the Government and attempting to disseminate what he believed was the true information that the Government were trying to hide." The Committee of Ministers of the CE, which Azerbaijan now chairs, is supposed to oversee the implementation of the ECHR decisions.

In May 2014, eight members of the youth movement NIDA, also considered AI prisoners of conscience, received sentences ranging from 6–8 years. The members of the NIDA youth group organized protests against the deaths of Azeri Army conscripts in January and March 2013. The activists were disseminating criticisms of the government online, including Facebook and Twitter. NIDA activists were beaten and humiliated in detention and initially denied access to an attorney of their choice.

Human Rights Watch has profiled the use of narcotics charges against opposition youth activists who apparently had drugs planted on them by police. In each instance a youth activist who posted materials critical of the government on social media was arrested for narcotics charges but was questioned about political views and activities. In separate incidents government critics were prosecuted on highly dubious charges of drug possession, tested negative for presence of drugs in their bodies, and were initially denied legal representation, and subjected to abuse in detention. Rashad Ramazanov, a well-known blogger got a nine year jail term; Taleh Bagirov an imam who criticized the government in his sermon was sentenced to two years, and Dashig Malikov, a activist with the Azerbaijani Popular Front Party, was sentenced to two and half years.

The last case I will mention is of an outspoken critic of the government, Leyla Yunus, the Director of the Institute of Peace and Democracy, a major human rights monitoring organization and democracy think tank in Azerbaijan. Leyla Yunus has been active for two decades in many facets of human rights work, including assistance for political prisoners, working to reduce torture in detention, protecting women and religious and ethnic minorities. Leyla's husband Arif Yunus is a historian and political scientist and author of numerous books about Azerbaijan. Leyla Yunus's human rights works has repeatedly put her at odds with the government, which was most clearly on display in 2011 when their house was demolished with all her possessions inside after she campaigned actively for the property rights of people arbitrarily evicted from their homes. In April 2014 Leyla Yunus was detained and questioned at length in connection with a case against Rauf Mirkadirov, an Azeri journalist detained under dubious treason charges for his participation in "Track II" meetings with Armenian colleagues. Both Leyla and Arif Yunus have participated in numerous such meetings which are seen by the OSCE mediators as an important avenue for seeking a peaceful resolution to the conflict over Nagorno-Karabakh. During the questioning, over a month ago, Leyla and Arif Yunus had

their passports taken away. Since no charges have been filed against them and there are no formal barriers to travel, their passports should be returned and they should be permitted to attend conferences such as the OSCE meeting in Berne this week that they are unfortunately missing.

#### MEDIA

Freedom of information has also deteriorated. The government has control over broadcast media and most newspapers, and it is now trying to establish greater control over the internet. June 2013 amendments to the criminal code made defamation over the Internet a criminal offense carrying penalties of up to three years in jail. The amendments represent a major blow to freedom of expression making it possible to launch criminal cases against online activists. During the pre-election period Azerbaijan was jamming satellite signals of news programs in the Azeri language, including that of RFE/RL. Several journalists are serving politically motivated jail sentences including Avaz Zeynalli, the editor the opposition newspaper Khural, and Hilal Mammadov the editor of the Tolishi Sado newspaper.

#### FREEDOM OF RELIGION

Freedom of religion is another area where a decline has been documented. US Commission for International Religious Freedom (USCIRF) has downgraded Azerbaijan to a Tier 2 country for the first time in 2013. The Commission focuses its criticism on the 2009 Law on Religion which curtailed a range of religious activity, made unregistered religious activity illegal, and imposed extensive government censorship of religious literature. The law has been repeatedly amended to increase penalties and has led to numerous raids, detentions and arrests. In its 2014 report the USCIRF includes a list of 51 religious prisoners in Azerbaijan.

#### PRESSURE AGAINST NGOS

The climate has also become much more difficult for NGOs. Amendments to the NGO law in February 2013 increased existing sanctions against unregistered NGO activity. It became illegal for unregistered groups to receive grants or donations. In conjunction with arbitrary refusal of registration, this places civic activists in an impossible position. The amendments also dramatically increase penalties for any NGO that does not register its grants. Another set of amendments that extends onerous requirements to international organizations was passed in February 2014. Grantees report months of effort with arbitrary bureaucracy to register their grants that are so far inconclusive. There is considerable apprehension that the regulations will be selectively enforced against organizations that are critical of the government.

However even prior to these amendments, Azerbaijan was seen as violating freedom of association due to overregulation of NGOs. In a 2011 opinion the Venice Commission found that the process for registering NGOs in Azerbaijan was too "cumbersome, lengthy, and unpredictable." In five separate decisions the ECHR has found that Azerbaijan violates freedom of association by arbitrarily denying registration to NGOs. Azerbaijan should be bringing its legislation in compliance with ECHR and Venice Commission opinions rather than imposing even greater burdens on NGOs.

The case of Anar Mammadli and Bashir Suleymanli of the Election Monitoring and Democracy Studies Center (EMDS) illustrates the way these laws are used to silence critics of the government. EMDS is the most authoritative domestic vote monitoring organization in Azerbaijan and it has been attempting to register for over 5 years and has been denied each time. The organization attempted to sue the government to obtain registration but the courts refused to consider its case. Last year the EMDS entered into a contract with a registered NGO to carry out its activities. This arrangement became grounds for a criminal case against Anar Mammadli, the Chairman of EMDS, who was sentenced to 5.5 years in jail and Bashir Suleymanli, the Executive Director, who was sentenced to 3.5 years. Mammadli and Suleymanli were profiled in detail in a recent Amnesty International report that also considers them prisoners of conscience.

#### CONCLUSION

In closing, I am grateful to the Helsinki Commission for convening this hearing, which focuses attention on Azerbaijan at a very important moment. I hope that the Commission will remain equally engaged in the future by calling on the government of Azerbaijan to release political prisoners and repeal onerous new regulations against NGOs. Further, I would urge that the Parliamentary Assembly of OSCE which will convene in Baku this year to include voices from Azerbaijan's embattled

civil society in its deliberations. I would also urge Members of Congress who travel to Azerbaijan as part of the OSCE delegation or other congressional delegations to visit political prisoners in jail and meet with their families and attorneys. In the case of Leyla and Arif Yunus, who are being held in limbo, their passports should be returned and they should be permitted to travel internationally.

Mr. Chairman, Azerbaijan has a longstanding democratic tradition, and in 1918 became the first democracy in the Muslim world. The civil society of Azerbaijan works to fulfill that legacy and remind the government of its OSCE commitments. These brave and talented people should be permitted to do their important work without harassment and intimidation.

Thank you.

## PREPARED STATEMENT OF BRENDA SHAFFER

Dear members of the U.S. Helsinki Commission,

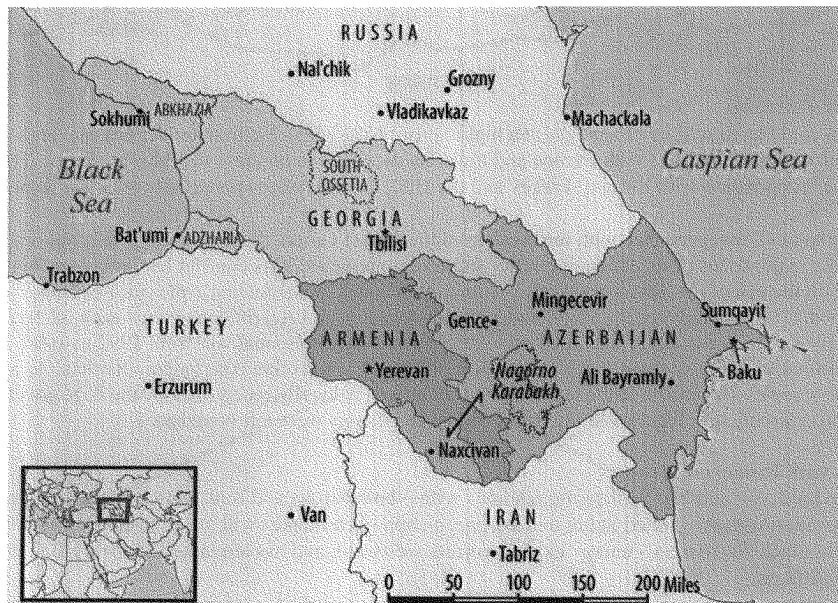
The Republic of Azerbaijan is a strategically important country that borders Russia, Iran, and Turkey. Azerbaijan is important to a number of wider U.S. foreign policy issues, including policy toward Russia, relations with Iran, nuclear non-proliferation, Middle Eastern regional security, and European energy security. In its two decades of independence, the Republic of Azerbaijan has stood together with the U.S. as an ally on almost every major policy issue, including by sending troops to serve together with U.S. forces in Kosovo, Iraq, and Afghanistan. Azerbaijan has also served as the main transit point of U.S. troops and equipment into Afghanistan. Most recently, Azerbaijan was one of the few states bordering Russia that joined the U.S.-led effort at the United Nations to condemn Moscow's annexation of Crimea.

Over a third of the population of Iran is ethnically Azerbaijani; thus, developments in Azerbaijan affect developments in its neighbor to the south, including Iran's domestic stability. Azerbaijan is a Muslim-majority country that has not established any special status for Islam, observes complete separation of religion and state, and protects equal rights for citizens regardless of religious or ethnic origin. The Republic of Azerbaijan not only allows religious freedom, but observes freedom from religious coercion. During its short period of independence prior to being conquered by the USSR, Azerbaijan in 1918 was the first Muslim-majority state to grant women suffrage, two years before the United States and long before most of Europe.

Despite close cooperation between Azerbaijan and the United States on almost every strategic issue, relations between Washington and Baku are very complicated and occasionally tenuous. In this testimony, I will discuss Azerbaijan's strategic foreign policy approach, its relations with a number of its neighbors (Russia, Iran, and Armenia), trends in the South Caucasus region, and suggestions for how the U.S. can best support its national interests in the South Caucasus region.

## AZERBAIJAN'S FOREIGN POLICY

Developments in Azerbaijan and the South Caucasus are strongly influenced by regional and global powers: the region is located at the crossroads of two continents and borders three important geopolitical actors: Turkey, Iran, and Russia. Due to its strategic location, the region is a focus of geopolitical competition.



Azerbaijan possesses a strong strategic orientation toward the United States and Europe, but is also mindful of the constraints of its neighborhood. Consequently,

Baku attempts to maintain a potentially treacherous balancing act in its policies one that allows close cooperation with the U.S. without encouraging the wrath of its potentially dangerous neighbors, Iran and Russia. As a Muslim-majority country, Azerbaijan maintains close cultural ties with many Muslim-majority states, but religious and cultural factors play no role in determining the state's alliances or main strategies of cooperation. In fact, one of Azerbaijan's closest alliances is with Israel. Azerbaijan is Israel's largest supplier of oil, and the two states share strategic cooperation on a number of issues.

Azerbaijan is rich in oil and natural gas reserves, and its exporting of these petroleum resources westward has been a major feature of its foreign policy since independence. Azerbaijan is among the top twenty oil producers in the world, producing close to a million barrels a day (850,000 barrels of which are exported). Azerbaijan also exports natural gas to most of its neighbors and will soon play an important role in enhancing Europe's energy security. At the end of 2013, Azerbaijan and a number of international investors announced their final investment decision on the Southern Gas Corridor, which is designed to bring Azerbaijan's natural gas volumes into Europe. This ambitious project will provide the first new volumes of natural gas into Europe in decades and allow a number of states along the route to improve the security of their energy supply and lower their dependence on Russia. This \$45 billion project that crosses seven countries and six regulatory jurisdictions is being built in such a way that it can easily be expanded, and can thus transit additional volumes of gas from new sources in the future. At the same time, adjoining pipelines can be built to reach additional markets that need to improve their security of supply, such as the Balkans. The Southern Corridor will be the catalyst for natural gas interconnectors in Southern Europe. For a number of years, the European Union has spoken about the importance of interconnectors, and this project has encouraged the development of these connecting pipelines between different European countries.

#### The Southern Corridor Natural Gas Pipeline



Azerbaijan could have sold its natural gas at a higher profit to neighboring Iran and Russia, but embarked on this ambitious project in order to link itself with Europe and lower its dependence on these neighboring states. This strategic choice entails closer cooperation with Europe, Turkey and the U.S., but also elicits potentially negative responses from Russia and Iran.

Since Azerbaijan's independence with the breakup of the Soviet Union, the resolution of the Nagorno-Karabakh conflict has been the major focus of its national security and foreign policies. This conflict between Armenia and Azerbaijan started on the eve of the Soviet breakup, as ethnic Armenians in Azerbaijan's province of Nagorno-Karabakh rallied to join Armenia. Moscow played the newly independent Armenia and Azerbaijan against each other, turning a local dispute over the status of a territory inhabited by 90,000 people into a regional war from 1992 to 1994. Eventually, Armenia was victorious, and it took control of Nagorno-Karabakh and seven other Azerbaijani districts. As a result of the war, Armenia now occupies 20 percent of the territory of Azerbaijan (as legally recognized by the U.S. government), and close to one million Azerbaijani refugees and internally displaced persons were left homeless.

#### RELATIONS WITH RUSSIA AND IRAN

Azerbaijan borders—and has challenging relations with both Russia and Iran. Moscow seeks to limit Azerbaijan's cooperation with the United States and Europe, an approach it takes with most of the former Soviet states. Moscow has tried to

block Azerbaijan's energy export projects westward, and has attempted to coerce Baku to route its energy resources to Russia.

At the same time, Azerbaijan's neighbor to the south, Iran, also works to undermine Azerbaijan's stability. Iran is a multi-ethnic state, and its domestic security could be affected by developments in the neighboring Republic of Azerbaijan. Half of Iran's population is comprised of non-Persian ethnic minorities, with the Azerbaijanis the largest group at close to one-third of the country's population. The majority of residents in the northwestern provinces of Iran, contiguous to the border with the Republic of Azerbaijan, are Azerbaijanis. One reason that Iran supports Armenia in its conflict with Azerbaijan is that it prefers Azerbaijan to be embroiled in a conflict and consequently unable to serve as a source of support or emulation for the ethnic Azerbaijanis in Iran.

As part of its policy of undermining Azerbaijan's security, Tehran has supported Armenia in its war against Azerbaijan and engaged in broad security, military, and economic cooperation with Yerevan since 1992. During the war between Armenia and Azerbaijan, Iran supplied Armenia with fuel and food and allowed the flow of arms and goods through its territory to Armenia.

### Iran and Azerbaijan



Tehran has also sponsored a number of terrorist cells and attempted terrorist attacks inside Azerbaijan, with targets that have included the U.S. embassy, the U.S. ambassador, the Israeli ambassador and local Jewish institutions in Baku. Due to its long and heavily crossed border with Azerbaijan, Tehran frequently attempts to use Azerbaijani territory to carry out attacks on Western, Israeli, and Jewish targets.

#### THE CAUCASUS: CONFLICT, DOMESTIC POLITICS, AND FOREIGN POWERS

In the South Caucasus region—as in most of the areas of the former Soviet Union that border Russia—domestic politics, foreign policy, and military conflicts are intertwined. Most of the powers involved in the South Caucasus, especially Russia and Iran, use threats to the stability of the region's governments and violent conflicts as tools to promote their influence and interests.

To promote its dominance over bordering states, Russia has proved ready to use military force (as it has in Ukraine and Georgia); to work through electoral processes and civil society organizations (Russian citizens ran in recent elections to lead Azerbaijan, Georgia, and Latvia) to get its way; and to promote separatists as a lever of influence (as it has done in Moldova, Ukraine, Georgia, and Azerbaijan). If the United States is going to succeed in promoting conflict resolution and democratization in the region, as well as its own security interests, it must recognize this dynamic of regional politics.

External support was a key factor in the emergence of the conflicts that appeared in the Caucasus during the post-Soviet period. In the former Soviet Union, there were hundreds of disjunctures where ethnic and political borders did not line up, but ethnic conflicts only broke out (with the exception of Chechnya), where Russia supported the secessionist forces. These conflicts cannot be resolved only through agreement between the secessionist forces and the country they have broken away from, but their strategic backer has to be on board. These conflicts are not ethnic conflicts, but proxy wars between Russia and in most cases forces that want stronger integration with the West. The conflicts in the Caucasus, including Nagorno-Karabakh, continue to provide outside powers with significant leverage in the region.

In the last two decades, the United States has actively supported efforts to resolve the Nagorno-Karabakh conflict between Azerbaijan and Armenia, within the framework of the OSCE Minsk Group, which is composed of representatives of Russia, the United States, and France. These efforts have failed primarily because the United States has treated Armenia and Azerbaijan as the primary protagonists in the dispute while ignoring Russia's role in prolonging the conflict. For example, successive U.S. secretaries of state and special negotiators have criticized the presidents of Armenia and Azerbaijan for "not preparing their people for peace," as the leaders of the Minsk Group chided last year, and for failing to reach an agreement. The U.S. has granted millions of dollars to aid to programs aimed at "building ties between the two societies," but has never formed a strategy for dealing with Moscow because, until the Crimea invasion, Washington never acknowledged the extent to which Moscow uses ethnic conflicts around the region as a lever of influence.

On May 7, the U.S. representative to the OSCE Minsk Group, Ambassador James Warlick, made an important statement articulating the long-standing U.S. policy on the Nagorno-Karabakh conflict. This statement and continued U.S. interest in resolving the conflict are important for the prosperity of the South Caucasus and for removing a lever of Russian and other foreign influence in the region. Moscow will undermine any peace agreement that it does not view in its interest, regardless of the stances of the leaders of Armenia and Azerbaijan. The current status quo of no war, no peace serves Russian interests. The U.S. should stop blaming the leaders of Armenia and Azerbaijan for the dispute and start thinking about how to mitigate Russian opposition to settlement by identifying Russian interests that could be served through resolution of the conflict. Successive U.S. administrations, whether Republican or Democrat, have been loath to bargain with Russia on strategic issues. They have preferred instead to operate on the level of principles (such as "state sovereignty" and "the inapplicability of use of force."). However, trade-offs are necessary in order to achieve security and allow prosperity in the post-Soviet region.

In addition, to further support conflict resolution, the US should support Ankara's policy of linking the opening of the border between Armenia and Turkey to significant advancement in the Nagorno—Karabakh peace process. While increased trade between Armenia and Turkey will be a good development and in the long run could help reduce Yerevan's dependence on Moscow, this trade should be used as a force for peace. Peace cannot be accomplished without some significant Armenian withdrawal of the occupied territories. The only incentive that Yerevan has to compromise, with the exception of threat of war, is the desire to open the border with Turkey. Thus, the link of the border issue to some compromise on the Nagorno—Karabakh conflict can be used to facilitate trade and at the same time avert war.

In the states that border Russia, there is an overlap between domestic politics and foreign intervention. While the U.S. and the Soviet Union battled it out during the 1970s through intra-state wars in the developing world, today elections and the funding of NGOs and political movements have replaced the proxy wars. During a presentation this year in Washington, D.C., a senior Georgian official pointed out that Russia has recently begun funding NGOs in Georgia to campaign for Georgian membership in Moscow's Eurasian Economic Union instead of the EU Partnership Program. Leaders of NGOs and opposition political movements in the South Caucasus have proudly stated that they take money from Iran, Russia, and foreign religious organizations—from whomever will help them get into power. These groups have accepted outside assistance even when the agendas of these foreign states and organizations contradict their own state's national sovereignty and the long-term democratic development of the South Caucasus states. The long-standing U.S. policy that rests on the premise that a "vibrant civil society creates stability" ignores the fact that in many parts of the world, elements of civil society are connected to foreign countries, which have no interest in democracy or stability.



## RELATIONS WITH THE UNITED STATES: CHALLENGES AND MOVING FORWARD

While U.S. officials frequently acknowledge the important role that Azerbaijan plays in security issues that are of concern to the United States, understanding security needs should be a two-way street. Washington should also address Baku's security needs and its complex strategic environment, where both the Nagorno-Karabakh conflict and Azerbaijan's domestic political arena serve as theaters for Russia and other neighboring powers to promote their interests.

Washington's actions also often contradict its own long-standing and clearly articulated policies on the region. For instance, the U.S. government officially recognizes Nagorno-Karabakh and the adjacent seven regions as under Armenian occupation. Yet, at the urging of leading Armenian-American political organizations, Congress imposed sanctions on Azerbaijan in 1992 that have not been removed in over twenty years. Congress also annually earmarks funds for the secessionist local government in Nagorno-Karabakh. These allocations are in violation of U.S. law, since they support settlement activity in occupied territories. Congressional allocations to Nagorno-Karabakh are equivalent to the idea of earmarking funds for Israeli settlements in the occupied West Bank or for the Russian-sponsored local government in Crimea, clearly actions that Congress would not consider taking. However, annually Congress approves the earmark to the occupied territory of Nagorno-Karabakh.

In the past two decades, the U.S. has asked for Azerbaijan to join it in security initiatives that were important to Washington. Baku has always answered these U.S. requests, despite the fact that they often prompted serious responses and consequences from Russia and Iran. Now, as the Obama Administration hopes to improve relations with Tehran and disengage from Afghanistan and Iraq, it should uphold good relations with its allies in the region and not let these states be destabilized as payback for their cooperation with the U.S. For the United States to succeed in maintaining security and promoting its interests in the region with a smaller actual presence on the ground, it will need its allies more than ever. Washington should prioritize its good relations with states like Azerbaijan, so that Baku will be able to help its allies in the future.

## MULTI-ETHNIC IRAN'S AZERBAIJANI MINORITY

- Iran is a multi-ethnic state, and over 50 percent of its population is non-Persian. Azerbaijanis are the largest ethnic minority in Iran, comprising over a third of the country's population.
- Iran's ethnic minorities are concentrated in its border provinces, and these groups share cross-border ties with co-ethnics in the neighboring states of Azerbaijan, Turkey, Iraq, Pakistan, and Turkmenistan.
- Many prominent figures in Iran are ethnic Azerbaijanis, including Iran's spiritual leader, Sayyid Ali Khamenei, and the head of Iran's opposition Green Movement, Mir Hossein Mousavi.
- Even though Azerbaijanis share the Shiite faith and a long history of common statehood with Iran's Persian majority, Tehran does not allow Azerbaijanis in Iran to operate schools or universities in their native language or use the Azerbaijani language in government institutions.
- In addition to shared ethnic and cultural ties, many Azerbaijanis from both sides of the border share family ties and engage in trade with each other.
- Among the approximately 25 million ethnic Azerbaijanis in Iran, there is a broad diversity of attitudes toward the Iranian state. Some Azerbaijanis comprise a core part of Iran's ruling elite, while others strive for language and cultural rights. But a segment of Azerbaijanis in Iran, especially young people openly identify as Azerbaijanis, oppose Persian-centered rule and struggle against the ruling regime.



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