



Twinning Project AZ/15/ENP/OT/35
Support to the Ministry of Culture and Tourism of the Republic
of Azerbaijan for the modernization of its policy and
management system in the culture sector

Component 1 - Cultural Sector Policy and Governance Reform

Activity 1.4: Draft a concept of new culture sector governance model

Concept of new culture sector governance model

Mid and long-term strategy papers



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Foreword

This document constitutes the project benchmark foreseen for the activity 1.4 of the Twinning Contract: *Concept of a new, possible and smoother governance model of the culture sector*.

As agreed between MS and BC, it is based on the *Culture Concept of the Republic of Azerbaijan* approved in 2014 by the Decree of the President of the Republic, the political programme that fixes the objectives to be pursued in order to ensure the proper and comprehensive development of culture sector in the Country.

The ratio of the work consists of contextualising the 2014 *Culture Concept of the Republic of Azerbaijan* on the basis of the most recent developments in the field, and on the analysis carried out in the frame of the present Project in the period April-August 2016, under Activity 1.2. *Mapping of the Culture Sector Governance System*.

For this reason each objective is accompanied by:

- ✓ a section presenting the latest evolutions in the field, with special reference to the European context as the wider framework to look at in order to ease the achievement process of such demanding goals, and
- ✓ a section illustrating the outputs of the above mentioned culture sector's analysis, as the point from which to embark on the envisaged modernisation path.

As well, the document includes a mid and long-term strategy, based on forecasts and priorities set by the Azerbaijani government through the “*Azerbaijan 2020: Look into The Future*” *Concept of Development*, aimed at outlining the actions to be undertaken within the culture sector in the Country and the way to actually implement them.

Consistently with the Twinning's targets the present document focuses seven objectives out of the areas identified in the 2014 *Culture Concept*. These are of major importance in terms of potential impact on the cultural sector and its possible future development. As well the mid and long-term strategy especially deals with the these objectives, whose achievement is

crucial in order to foster the role of culture as a driver of economic and social development of Azerbaijan.

The objectives are linked to two main areas, that fully recall the cultural priorities set by the *Concept of the Republic of Azerbaijan*.

The first area concerns the “Upgrading and Updating of culture-related policy mechanisms”. The objectives falling into this area are:

- ✓ Application of modern methods in culture management - development of cooperation with the local self-government bodies in culture management, including art management;
- ✓ Diversification of funding sources and improvement and expansion of culture services;
- ✓ Improvement of the educational and re-training systems in the field of culture.

The second area concerns the “Preservation and restoration of national tangible and intangible cultural heritage”. This area, which is indicated as a priority within the *Concept of the Republic of Azerbaijan*, is considered as a main concern for the Ministry of Culture and Tourism, as it is evident from the Twinning fiche on which the current project is based. The objectives falling into this area are:

- ✓ Restoration and protection of historical and cultural monuments;
- ✓ Modernization of the museum branch;
- ✓ Modernization of libraries and related information supply;
- ✓ Protection of immaterial cultural heritage and use of the available personnel at city culture clubs.

The following step will consist of designing the changes to be introduced into the current legal framework and the administrative practices to achieve the identified reforming objectives, in compliance with the current EU practices. That will be the goal of the Activity 1.5 *Support in elaboration of a roadmap for full implementation of a new culture sector governance model and of an Administrative Reform Plan with 'milestones' and timetable*.

Section 1 - Objectives

UPGRADING AND UPDATING CULTURE POLICY MECHANISMS

As a building block of Azerbaijani national identity, and as a powerful engine of progress of the whole country, culture must be duly supported and promoted, and its harmonious development has to be ensured. This cannot be done without adjusting the present culture policy mechanisms to the actual requirements. The policy pillars of the system - such as culture management and administrative cooperation mechanisms, funding instruments, education and training - shall be upgraded and updated so as to be ready to seize the opportunities of growth that today culture can offer.

1) Application of modern methods in culture management - Development of cooperation with the local self-government bodies in culture management, including art management

International best practices demonstrate that the most successful culture management requires, along with the efforts of state bodies, the

- ✓ participation of NGOs and private entities;
- ✓ cooperation between state bodies and municipalities;
- ✓ organization of the effective use of cultural objects;
- ✓ adherence to the principles of state culture policy;
- ✓ application of innovative management tools and prevention of monopolies.

Within the above-mentioned framework, a particular attention shall be paid to the

- ✓ optimization of the decentralisation processes in state administration, with particular reference to the effective management of the balance between central and local executive authorities;
- ✓ creation of art management and production management systems in culture, and promotion of modern management tools;
- ✓ liberalization in the field of culture, without neglecting the protection and preservation of the national cultural identity of the Country, also by fostering the cooperation with NGOs and private entities, as well as promoting private projects and initiatives.

Remarks based on EU framework

Artistic and cultural heritage is connected to our social, political and economic development in ways that change over time. Several evolutionary processes have changed in the last few years the question posed by the management of cultural heritage in the modern countries.

A first issue concerns the role of the central authorities, the skills and resources they must have in order to effectively carry out the tasks set by the laws, when placed in the context of the progressive decrease of the central state engagement in culture management that many modern countries are experiencing. Moreover, the decreased role of the central state requires an effort to redesign the structures and mechanisms of government assets in order to maximize the improved involvement of local governments and of private actors in the culture sector.

A second important issue concerns the relationship between civil and economic development and the contribution of arts and culture to modern economies. The recent debate has been highly polarized around researches dedicated at conceptually describing and quantifying the ability of assets (cultural industries, food and wine and typical products, handicraft production) to participate in the overall dynamics of formation of income and economic development.

What appears evident is that heritage represents a strong element to characterize the specific features of a territory and it is inextricably connected to territories' ability to attract visitors, generating externalities on the tourism industry. Furthermore, tangible heritage (archaeological, architectural, landscape, artistic and historical, archives, libraries) is a key component of the cultural system in modern countries and the sustainability of its conservation is at the same time a precondition for any possibility to create economic value and a major challenge in terms of restructuring legal and organizational public structure.

In this perspective, both the abovementioned issues highlight the need to move from a centralized and mono-sectoral culture management system to an integrated one. Such an integrated approach has to use the available resources for supporting, enhancing and promoting cultural heritage, while taking into account the cultural, economic, social, historical, educational, environmental and scientific components.

This implies two major challenges. Firstly, to pay particular attention to improve dialogue between policymakers across all level of governance, together with all private and no-profit

sector actors. Secondly, to work on the relationship between heritage and other economic assets in order to improve the capacity of culture to encourage growth.

With regard to these challenges, it is crucial to:

- ✓ establish, in a flexible manner, a common approach among the authorities through improved cooperation between the different policy areas dealing with cultural heritage;
- ✓ communicate to potential beneficiaries, in a straightforward and accessible way such as through a single information platform, which are the best practices concerning the existing funding lines for cultural heritage;
- ✓ acknowledge the cultural heritage as being both movable and immovable, tangible and intangible, and as a non-renewable resource whose authenticity must be preserved.

Authorities should take the initiative of drafting guidelines for the new participatory governance models, by promoting the “shared resource” aspect and strengthening links among local, regional and national plans. In this respect, they should ensure the development of legal tools that allow alternative funding and administration models, such as community involvement, the participation of civil society and public-private partnerships, with a view to implementing actions related to cultural heritage (conservation, restoration, preservation, development and promotion).

With regard to this matter, participatory governance models are also treated in official documents of the European Union. In particular, the *European Charter on local self-government* (as adopted under the auspices of the Congress of the Council of Europe and opened for signature by the Council of Europe's Member States on 15 October 1985) states that public responsibilities should be exercised preferably by the authorities closest to the citizens, the higher level being considered only when the co-ordination or discharge of duties is impossible or less efficient at the level immediately below. Therefore, every self-governing unit should be entitled at its own initiative to make decision on creation and development of social, cultural and educational infrastructure not belonging to the authorities of the state body.

Moreover, the Council of Europe has made several recommendations on cooperation with the local self-government bodies, as highlighted in the *European Neighborhood Policy* (ENP). Lastly, the *EU-Azerbaijan Partnership and Cooperation Agreement* (1999), envisages a direct “cultural exchange between institutions, artists and other people working in the area of art”.

These documents confirm the importance of improving the dialogue between policymakers across all levels of governance, together with cultural and creative industries, networks of tourism operators, partnerships between private and public actors, and NGOs.

In this perspective, all stakeholders are encouraged to participate in the governance of cultural heritage, in order to strike a balance between sustainable conservation and development of the economic and social potential of cultural heritage. At the same time, the need for new governance models implicates the necessity of quality control systems for all alternative forms of funding and administrating cultural heritage. To reach such results, authorities need also to step up controls over expenditure of culture heritage-related components and foster cooperation in fighting fraud, corruption and any other irregular activity encountered in this area.

Coming more specifically to the relationship between heritage and other economic assets, participatory and cross-sectoral approaches can enhance cultural heritage contribution towards innovative jobs, products, services and processes and can be a source of creative ideas, nurturing the new economy. Contamination and structured cooperation between culture, education and other growing sectors such as tourism are vital to boost the economic and strategic potential of cultural heritage. In order to emphasize the value of heritage assets, studies should be promoted to determine the cultural and economic value of the cultural heritage so as to transform the “cost” of its preservation into an “investment” in its value. With regard to this, the inclusion in school curricula of art, music, theatre and film education is a key element to developing knowledge of cultural heritage, artistic practice and expression, and soft skills geared to creativity and innovation.

It is also fundamental to improve awareness of cultural heritage and the ethics of its care, as well as to identify tools that can be developed to help communities to better understand and conserve their heritage. Integrate conservation and valorization of cultural heritage in the domain of community development, education and tourism as well as encourage its accessibility and knowledge, its conservation and promotion can be helpful in raising

awareness among communities on the importance of cultural heritage in the identity of a community.

A particular mention has to be made to the strong link between culture and tourism. Cultural heritage and tourism are indeed mutually beneficial since, on the one hand, the cultural heritage generates substantial earnings for the tourism industry, while, on the other hand, tourism is good for culture, encouraging the display and conservation of cultural assets and generating revenue needed for their preservation. As matter of fact, cultural tourism has a major role to play in preserving and realizing the value of cultural heritage, which includes not only the physical heritage and landscape, but also the intangible heritage, such as languages, religious and culinary traditions.

In Europe, for instance, cultural heritage plays a vital role in several of the Europe 2020 flagship initiatives, such as the Digital Agenda, the Innovation Union, the Agenda for New Skills and Jobs and the industrial policy for the globalization era. In Europe revenues generated by cultural tourism are most significant: 79% of the turnover in Europe's cultural heritage sector is due to tourism while 16% derives from investments in maintenance by private owners, charities, and foundations. The remaining 5% is received from public and governmental bodies.

When tourism is identified as part of an overall development strategy, the identification, protection, and enhancement of historic resources is vital for any sustainable effort. In some places, cultural heritage tourism is one of the main economic contributors, and it is the "industry" that uses cultural heritage to the greatest extent as support for its backbone activities. Moreover, the influence of well-planned and well-managed local tourism programs extends to improving the local economy and enhancing the quality of life for local residents, who experience a renewed appreciation for and pride in their local area and its history. In fact, the link between culture and tourism is the most visible aspect of the contribution of culture to local development: 37% of the global tourism has a cultural motivation.

Therefore, it is of paramount importance that authorities strategically plan cultural heritage-related projects that can lead to overall regional and local development, international and interregional cooperation programs, the creation of new jobs, whose development should be further enhanced by the use of new technologies, sustainable rural and urban regeneration, and the preservation and promotion of traditional and high-level skills related to cultural heritage restoration.

Outputs of the analysis

The culture sector of Azerbaijan is characterised by a centralised management system with the Ministry of Culture and Tourism (MCT) as the lead institution. However, a step toward the externalisation of some services has been made in the last years with the establishment of the Baku City Department of Culture and Tourism, which was created to replace the Baku City Department of Culture and Tourism of the Ministry of Culture and Tourism (decree of the President dated March 29, 2016) with the aim of making the cultural and touristic sector more efficient, responsive and modern.

Moreover, in view of improving multi-level governance systems, the enhancement of the coordination between local authorities and MCT is considered a key factor to improve the protection of immovable heritage. Currently, local executive powers carry out state policy and monitor observance of legislation in the sphere of protection of immovable heritage and natural landscapes. According to legislation, they are granted with competences to establish regulations of specially protected areas and manage them. They inform the Ministry of Culture and Tourism about the necessity of restoration and conservation of monuments. Moreover, as emerged from the document *Mapping of the Culture Sector Governance System*, local executive powers are also involved in urban planning activities.

The participative approach appears to be welcomed in Azerbaijan and it is employed by the Milli Mejlis Culture Committee for the legislative process. From the *Mapping of the Culture Sector Governance System* emerged that, when crucial matters are on the agenda within the legislative process - for instance, when new provisions in some specific fields have to be included in the law - many specialists of the fields under question are invited to enrich the discussion by bringing their knowledge and competence into the debate (at least 15 specialists are usually invited. In some specific cases the debate was opened up to 50 persons). With this regard, it has been recently proposed to adopt structured discussion forums, a sort of “Clubs of Discussion” to be attended by the main representatives of the cultural sphere in the country in order to examine the main issues of the sector. The meetings should be held tentatively on a monthly basis, starting from September 2016 with a discussion on cinematography. In this way it will be possible to gather relevant information directly from the actors working in the territory, so as to reflect in the law their common understandings and to solve crucial problems.

Even though the improvement of the participative approach is considered as a strategic element in Azerbaijan, it appears that modality by which the government intends to involve the non-governmental stakeholders is changing, especially after the new law related to NGOs. Some years ago the approach seemed to be more “bottom-up-type” and NGOs were entitled to directly present their instances to the concerned Ministries, when they deemed it necessary to call for punctual interventions or to draw the attention on some specific question related to culture sphere. On the other side, also the consideration shown by the Ministries towards the involvement of the stakeholders in order to discuss and solve culture-related problems seemed to be higher in the recent past.

At present, such a participative process seems to have declined to the advantage of a more “top-down-style” approach. Actually, the government is the main actor leading the process and the Ministries indicate which intervention paths must be addressed by means of specific calls. Therefore, the non-governmental actors can only send applications which are strictly linked to the themes already identified at political level.

In order to improve culture management mechanisms in the Country, there is also a need to improve the existing legislation so as to better adhere to the rapid changes in the field and to respond more affectively to the deriving problems.

Regarding the legislative process, in Azerbaijan, the *Standing Committee on Culture* and the *Department of Social Legislation* of the Milli Mejlis are jointly responsible for cultural legislation. They ensure that laws are in line with the standards and practice of the developed countries, reflect the Council of Europe's cultural priorities, and match the realities and special features of the situation in Azerbaijan. The main aim in all cases is effective legislation, shielding the rights and interests of all those involved in cultural activity, and satisfying national and international requirements.

The main reference law for the sector is the *Law on Culture*. It spells out the principles and aims of the state policy, and lays down the duties of government and local authorities in this area.

It guarantees the right of individuals to engage in creative activity, promotes international contacts and co-operation, prevents the state from monopolising culture, and covers preservation and development of the cultural identity and heritage of Azerbaijan and ethnic

minorities, historically resident in its territory. It also provides measures to promote creativity and the activities of public agencies and organisations working in the cultural sphere.

Azerbaijani society is typified at present by cultural diversity, thus besides the *Law on Culture* there are many specific laws regulating the different cultural sectors of the Country, geared to satisfying a broad range of cultural requirements.

With regard to the sectors already regulated by a specific law, a need to improve the existing legislation to respond more effectively to some specific problems is highlighted in the document *Mapping of the Culture Sector Governance System*.

In particular, there is the need to strengthen the law on protection of cultural heritage and to foresee higher sanctions in case of its violations. Also, specific laws for protecting intangible heritage and intellectual property rights are still lacking at present.

2) Diversification of funding sources and improvement and expansion of culture services

The question of financing creative activities is one of the most urgent issue confronting cultural policy today, as the funds available cannot keep up with the growing demand among people for more culture, and the State cultural budgets have to compete with other economic and social sectors needing for considerable economic resources.

In this view, the diversification of funding in the field of culture in the Republic of Azerbaijan shall in particular focus on:

- ✓ the optimal definition of funding limits through inventory control, analysis, evaluation and better efficiency in using funds from the state budget for the needs of the culture sector as well as a wider use of public contracts and enhancement of control over the allotted public funds;
- ✓ the use of alternative funding sources (non-budgetary funds, grants, donations and other legal funding sources) with the purpose of extending possibilities for the financing of culture;
- ✓ the improvement and expansion of culture services rendered against fee by culture institutions through the development of management and marketing.

Remarks based on EU framework

The cultural sector, despite signs of difficulty due to the decrease of public engagement in the field, proves to resist the slowdown of economy, especially in terms of demand. Data on number of visitors and active cultural participation are, in fact, positive. Reference is made in particular to number of visitors to the places of culture and household consumption for recreation and culture.

At the same time the growing cost of protection and management of cultural heritage, due to the increase of the amount of cultural assets and the inclusion among them of new types of patrimony, represents a central concern especially in countries where the public sphere has suffered budget cuts and public institutions do not have enough resources to ensure the conservation, management and enhancement of heritage. At this phenomenon, or as a result of the same, a process of decentralization took place in most European countries.

Therefore the tendency, common in recent years in all western countries, of the reduction of public resources for cultural activities, cannot be considered exclusively a contingent factor due to the financial crisis but a structural feature of the sector, in which the public hand will count less and less in the future, both because of the reduction in public expenditure and because of the modification in the general belief about centralism of public sector in culture.

The role of central government in the implementation of policies for the cultural heritage is reducing, giving way to other levels of government and, above all, to the private sector that is encouraged to play an increasingly active role and not only for the financing of culture but even for the direct management of cultural institutions.

The present general condition of modern countries actually highlights the necessity of promoting structural collaboration between the state, local and private entities and so setting up a unitary system: the management of heritage in modern countries is characterized by a variety of local situations made of different amounts, types and quality of assets, structures and institutional responsibilities.

Nowadays public policies in the arts and cultural sector are rarely developed only by governments: in most democratic countries third sector organizations, business firms and civil society are deeply involved in the production, distribution and promotion of arts and culture, thus playing a major role in sustaining innovation in the creative sector.

The current crisis, therefore, must be seen as an opportunity for a radical and structural modification in the cultural sector so as to broaden its sources of income and the management tools in an integrated environment.

Financial assistance for the cultural sector is nowadays based on a mixed model characterized by funds coming from different sources both public and private. Such diversification ensures greater sustainability to the sector and tends to mitigate the risks such as, for example, a lower tension towards the quality and productivity or the tendency to structure the offer on the basis of political directions and political benefit.

Such a mixed funding system for the culture sector interconnects the three following financing sources:

1. Public support
2. Earned income
3. Private support

1. Public support - This category includes public direct support and public indirect support.

Public direct support for culture is defined as any support to cultural activities made by governmental and/or other public bodies. Public direct support includes subsidies, awards, grants, etc., that is, money is transferred directly from the public funds to the recipients' accounts. Public indirect support consists of measures, adopted by governmental and/or public institutions, usually via legal acts, for the benefits of cultural organisations, that do not involve money transfer from the former to the latter. Indirect measures refer mainly to tax expenditures, that is, the income that local and national governments forego because of tax reductions and exemptions granted to cultural institutions, matching grants, and other financial or banking schemes whereby beneficiaries, rather than government officials, determine which organisations will benefit.

2. Earned income - This category includes all individual spending for cultural purposes, such as entry fees to cultural institutions, or the buying of cultural objects. Earned income therefore denotes all direct income made by cultural organisations on the market.

3. Private support – This category includes any financial support provided by investing, giving or spending at the individual or non-public level.

Private support can be further divided into business support, individual giving and support from foundations and trusts.

Business support denotes direct investment aimed at capital returns, including public-private partnerships and investments in arts collections, as well as sponsorship and corporate donations. Individual giving encompasses all transactions made by individuals, with a purpose of donating or contributing to culture. Individual giving should be distinguished from household expenditure for culture, which falls under the category of earned income. Support from foundations and trusts denotes support from intermediary institutions, usually founded by law, that serve special purposes and missions and are supported by private endowment.

Among the three financing systems illustrated above, an increasingly significant role is covered by the latest, the private support to culture, with particular reference to the mechanism of the Public Private Partnership (PPP). This is the reason why it is worth to better focus on the opportunities that are offered by this kind of instrument.

Actually the EU Resolution of 8 September 2015 *Towards an integrated approach to cultural heritage for Europe*, stresses the necessity to strengthen the newly established principle of multifunding, which allows the complementary use of different funds within the same large-scale project, and in particular strongly encourages public-private partnerships in culture field.

Public Private Partnership refers generally to forms of cooperation between public authorities and the world of business to ensure the funding, construction, renovation, management or maintenance of infrastructures or the provision of services. “A Public-Private Partnership is a contractual agreement between a public agency and a private sector entity. Through this agreement, the skills and assets of each sector (public and private) are shared in delivering a service or facility for the use of the general public. In additions to the sharing of resources, each party shares in the risks and rewards potential in the delivery of the service and / or facility” (www.ncppp.org)

In recent years, the use of forms of partnerships with private entities (profit and non-profit) has grown significantly, allowing to contain the investments by public actors, improving the effectiveness, efficiency and transparency, and producing positive impacts on the

environment where the initiative has been implemented, as well as, obviously, maximizing the benefit for the private entity engaged.

One example is that of Italian banking foundations: the 88 banking foundations in the Italian territory are considered private non-profit organization, with full statutory and management autonomy. These pursue exclusively socially aims and promotion of economic development. By law they are required to operate in 21 sectors. Among them also 'art and cultural activities' assets that specifically include: the preservation and enhancement of the architectural and archaeological heritage; supporting new productions and events especially in the areas of performing arts (music, theatre, ballet etc.), movie making and visual arts (painting, sculpture); promoting and sustaining the creation and maintenance of libraries and archives as well as the production of art books and valuable publications; supporting cross-cultural projects with a strong multidisciplinary approach.

The value added of the banking institutions' involvement has been the creation in Italy of a widespread awareness within the business sector about the opportunity to implement such a kind of participation in the culture sector. At the same time an effort must be done in order to promote the transformation of existing forms of occasional sponsorship into stable partnerships with cultural operators of the territory.

To conclude, the public private partnership could bring together the best of both worlds. Each partner contributing with his skills and experience.

According to UNESCO (2013) "Partnerships in the area of culture can bridge the funding gap of public entities, provide interesting investment opportunities for the private sector, **but require environmentally and socially sound approaches that respect and benefit local communities**".

This means that the public sector has to play a key role in order to ensure the realization of sustainable projects in the long run, and should care about building a platform, real and virtual, able to create a stable partnership between businesses, local authorities and cultural workers, around projects that are consistent with corporate values and territorial identities, with a high level of creativity and innovation, participated by the community and the staff of the company, making it possible to maximize the creation of value at the level of all network, including businesses, governments, cultural institutions.

The fostered integration of cultural heritage in other sectors as a crosscutting theme opens the way for a new generation of investments, that have to be conceived as part of broader programs in favor of social and economic development: the returns expected from these investments are sustainable economic growth, employment opportunities, an equitable distribution of benefits among local communities as well as positive impacts on local cultural identities and cultural diversity.

Outputs of the analysis

The rapid economic development of Azerbaijan in the last two decades, that influenced a continuous yearly increase in the level of public culture expenditure, has recently suffered a setback due to the economic crisis caused by the global fall in oil prices that has led to the 2015 currency devaluations. This situation caused a reduction of the funds dedicated to culture sector.

It should be noted that, as a result of decentralisation of budgetary expenditure on culture, in 2014 the 63,6% of funds were distributed locally. Local authorities and the regions' cultural departments started determining the patterns of cultural expenditure in the regions (districts) of the Republic.

Centralised expenditure on culture is largely focused on the city of Baku, even because, with culture permanently short of funding, preference goes to organisations of national importance, most of which operate from the capital.

The majority of cultural institutions have state status, being financed by centralised or local budgets. Libraries, museums and art galleries are fully financed by public budgets, and the theatre-entertainment organisations are partially financed by the state. Salaries are guaranteed by the state, while expenditure on maintaining buildings, or to build new stages, etc., are carried out at the expense of the organisations themselves. A high percentage of centralised expenditure goes on libraries and museums of national importance, subsidies to state theatres, centralised events, theatrical and musical performances, the visual arts, restoration of cultural monuments, creation of new monuments, and conduction of events in foreign countries, etc.

Also the network of cultural organisations, which comprises theatres, libraries, music schools, memorial houses and 45 *Heydar Aliyev Culture Centres* working in the culture field, managed by the *Baku City Main Department of Culture and Tourism*, is entirely funded by

the state budget. It must be highlighted that the Department considers it a priority to render the *Heydar Aliyev Cultural Centres* able to earn some income from the services and activities they provide to the public.

So far, the State's strategy for diversification of financing sources for cultural activities and policies aimed at

- ✓ refining the scopes of the state budget for arts and culture and setting up attracting alternative funding sources (sponsors, Maecenas, supporters etc.) and
- ✓ implementing up-to-date marketing in order to improve the system of paid cultural services, which appears to be a method which is increasing in importance.

It must be also stressed that the rise in entertainment businesses, the culture industries and cultural tourism has inevitably attracted the attention of private business. The number of private galleries, museums, antique shops and shops for national souvenirs and crafts is growing. Design agencies, the book market, and printing houses are also developing. Private theatres, studios and private enterprises started to function during the recent years. It is still needed, though, to improve the activities of private bookshops and their links with publishing-commercial enterprises. Impetus shall be given to the formation of corporate culture of social responsibility and increase of social investment programmes by transnational companies and large business organizations.

The culture industries such as book-publishing, press, audiovisual and phonogram production, entertainment industries and new technologies are undergoing rapid development. Indeed, there is a totally new independent business sector developing in Azerbaijan, which is not yet adequately considered in the overall national cultural policy.

Referring to the private initiatives and projects, it has to be underlined that there is also a number of new partnerships between public cultural institutions and private sponsors: namely festivals, concerts, fairs, both international and local, which attract a significant share of sponsorship by private sector. For example, in the period 1998-2001, the Azerbaijan State Theatre of Opera and Ballet was able to create an Opera Trust Fund, whose member's companies such as BP-Amoco, AGIP and Shell. Also, it has been formed the Azerbaijan International Cinema Company, which is a joint venture of the Union of Cinematographers and a private British firm "ITIL".

Such a kind of initiatives can represent a first model to look at, in order to give a new impetus to private-sector participation in culture sphere.

3) Improvement of the educational and re-training systems in the field of culture

Granting the artists a fruitful environment, consisting of suitable economical resources, proper working conditions, dedicated professional networks both national and international, as well as ensuring to the young generations the transfer of knowledge and skills in the artistic field through modern educational paths, are building blocks within the process of permanent development of the culture sector.

In order to proceed in the indicated sense, it will be of utmost importance to improve the existing multi-level educational system and to widen the spectrum of working resources available for artists by realizing what follows:

- ✓ implementing measures aimed at covering the needs of artists, including those representing the art of Azerbaijan, in line with the existing economy capacities as well as improving the conditions for active creative work;
- ✓ improving the educational and re-training systems in the field of culture, organizing internships in other countries and invitations for renown foreign experts to visit the Republic of Azerbaijan;
- ✓ further searching for young talented people through art contests, exhibitions, festivals and other events;
- ✓ creating a data base containing information about the biographies, work and creative activities of artists and art groups acknowledged for their contribution to the development of culture;
- ✓ creating a data base containing information about Azerbaijani artists residing abroad, developing contacts between them and relevant state bodies and NGOs, promoting measures for their works in Azerbaijan and abroad.

Remarks based on EU framework

The objectives set out to reach the wider goal of “Improving the educational and re-training systems in the field of culture”, bring into play three main issues:

- ✓ the education in the artistic field;
- ✓ the safeguard and promotion of artists’ work;
- ✓ the professional education in matters linked to the protection and valorisation of the cultural heritage.

Those matters are absolutely relevant for the European Union, which in several official documents indicates the guiding principles to be followed by the Member States and that are hereby summarised.

In European countries, education is subject to many expectations that affect the organization and the contents of arts education. Increasing globalization has its benefits and challenges, including those related to the intensification of international competition, migration and multiculturalism, to technological progress and to the development of the knowledge economy.

The education system can be considered as a tool to prepare children for the role they are called to play in a world growingly uncertain. It is up to schools to help young people develop confidence in themselves, as individuals and members of various groups within society, and to encourage them to develop a wide range of skills and interests, to identify and foster their potential and to promote creativity.

These developments pose a series of challenges for arts education, as it is clear from debates in the political and research fields.

The role of arts education in the acquisition by the young individual of the skills needed in XXI Century is widely recognized at European level. In 2007, the European Commission proposed the *European Agenda for Culture*, then confirmed by the European Council.

This *Agenda* recognizes the value of arts education in developing creativity. Moreover, the *Community Strategic Framework for European Cooperation in Education and Training* for

the present decade (2010-2020) clearly emphasizes the importance of individual transversal key competences, with particular reference to cultural awareness and creativity.

This is the reason why the Resolution of 8 September 2015 *Towards an integrated approach to cultural heritage for Europe*, reiterates the importance of promoting the inclusion in school curricula of arts, music, theatre and film education as a key to develop knowledge about cultural heritage, the artistic expression and the soft skills geared to creativity and innovation, as well as the inclusion of trans-disciplinary themes relating to cultural heritage at various levels of education.

Moreover, within the same Resolution, EU points out the urgent need to address youth unemployment, and stresses that cultural heritage is an area with potential for more and better employment, where the bridge between education and working life can be strengthened, for example through the development of quality apprenticeships, traineeships and start-ups in SMEs and the social economy.

In this framework it is easily understandable how the role of artists is crucial in order to transfer knowledge and skills to the young generations. All EU countries foresee several initiatives expressly devoted to the promotion of partnerships between schools and professional artists and/or arts organisations. Actually, in line with the EU *Directive 2005/36/EC on the recognition of professional qualifications*, the authorities should promote excellence, innovation and competitiveness in the cultural and creative sectors by supporting the work of artists, creators and cultural professionals.

Moreover, through the European Programme *Creative Europe*, the creation of international platforms for artists, especially for talented emerging ones, is supported through:

the promotion of the mobility and visibility of creators and artists - in particular those lacking international exposure;

the stimulation of a genuine Europe-wide programming of cultural and artistic activities, with the view of facilitating access to non-national European cultural works via international touring, events, exhibitions and festivals, etc;

the contribution to audience development and the provision of visibility to Europe's values and different cultures.

At last, the aspect regarding the professional education in matters linked to the protection and valorisation of the cultural heritage quoted above, is also strongly taken into account by EU: cultural heritage is formed by a very wide range of tangible and intangible assets, monuments, collections, deposits, assets and works of art, and its knowledge, protection, valorization and transmission are fundamental for it to be handed down to future generations. To support such a demanding process, the role of education is crucial.

When defining which professional skills have to be promoted within the education path in order to effectively support culture sector, it must be considered that managing and protecting heritage constitutes a twofold field:

1. one devoted to the enforcement of the legal and administrative framework finalized to implement public action of protection and management;
2. the second attaining the professions implied in the actual intervention on tangible and intangible heritage.

As for the first, beside the traditional figures of officers responsible for the implementation of public rules, an increasing importance is taken by new professions, those devoted to new fields like:

- ✓ innovative management of cultural assets;
- ✓ qualified guiding;
- ✓ expert in presentation of the assets;
- ✓ experts in public-private partnership;

The second is made of traditional professions dealing with intervention on ancient buildings of archaeological value as well as professional dealing with valuable surfaces of monuments and movable valuable artifacts.

At international level both education of professionals and access to labour market are subject to a growing regulation, to the aim of standardising the qualification and so to set up an homogeneous international labour market accessible to professionals themselves regardless to the nationality. *Directive 2005/36/EC on the recognition of professional qualifications*, through the identification and sharing among Member States of minimum skills levels (ability and knowledge) set the main EU principles in this field.

In this regard, authorities are called to play a role in ensuring both a high level of skill and professional know-how among operators, and a business structure able to ensure the implementation of best practices in terms of safeguarding cultural heritage, also by using appropriate quality control systems as required by the international charters.

On the other hand, the issues of continuous training, the encouragement of closer contact between training programs and public/private employers in cultural heritage and of the training of trainers, are vital to develop local capacity to ensure appropriate levels of training. In brief, authorities are called to introduce at various levels of education trans-disciplinary themes on cultural heritage, and to use cultural heritage itself as an educational tool strongly related with social development.

EU also encourages the creation, development and promotion of opportunities for mobility and exchange of experiences for people working in the cultural heritage sector, so as to ensure a genuine and fruitful professional reciprocity.

Outputs of the analysis

Arts education has a long and deep tradition in Azerbaijan and is marked by a high degree of democratization and accessibility for the majority of the population.

Responsibility for cultural education and training institutions is divided between the Ministry of Culture and Tourism (children's music, art and painting schools and the Baku School of Choreography) and the Ministry of Education, which supervises the special secondary and the higher arts education in Azerbaijan. Also the Ministry of Youth and Sport is involved in culture-related activities but with only regard to the spare-time initiatives.

The Ministry of Culture and Tourism, through its Science, Education and Youth Affairs Department, participates in drafting the state policy in the fields of culture, science, education, creative youths and other related fields. The following educational institutions for culture are directed and financed via this department: Tourism and Management University; Baku Choreography Academy; Mingachevir Tourism College; Baku Tourism Profession school (Vocational school); 239 music, art, painting, mugham and ashig performance schools; Training centers; Scientific restoration center for museum resources and memorial artifacts.

The Department for Science, Education and Youth Affairs is also in charge of taking relevant initiatives to analyze, improve and develop the network of educational institutions, for defining their proper location and improving their material-technical base, and to improve the training level of their teachers as well as for organizing competitions, festivities, exhibitions and other events addressed at finding and developing the talented children and youths in Azerbaijan and abroad.

The Ministry of Education implements activities related to culture sector in connection to:

- ✓ the network of schools under its umbrella, which are entitled to provide diplomas in some disciplines such as drawing, dance, handcrafting and robot techniques. At present, there are 16 specialized schools providing education in culture and the arts at secondary level (11 music schools, 3 cultural technical schools, a college of art and a dance school). Some institutions of higher education also have arts departments that train in music, history of music, performing arts, piano and folk instrument teachers;
- ✓ the 206 Culture Centers, which spread all over the country that are dedicated to dance, drawing, handcrafting activities (both traditional and non-traditional) for kids. It must be highlighted that the Ministry of Education is committed to render these Culture Centers more efficient and in this view it is implementing a project aimed at merging three creative centers in a unique operational HUB;
- ✓ various cultural events organized at governmental level together with the Ministry of Education and the Ministry of Culture and Tourism.

Regarding higher cultural education, the Baku Academy of Music, the Azerbaijan National Conservatoire, the Azerbaijan State University of Culture and Arts, and the Azerbaijan State Academy of Art offer third-level courses in culture and the arts. Some universities also run courses for students intending to work in cultural institutions.

Some institutions of higher education have arts departments that train music, history of music, performing arts, piano and folk instrument teachers. Arts departments at some universities have commercial status, e.g. Western University (design, decorative and applied art) and "Khazar" University (design). Some of the above courses are fee-paying, others not. Students who achieve good results qualify for scholarships. Courses last between 4-6 years, depending on the level (bachelors, masters and PhD), in accordance with the Bologna process.

Training and professional development courses for cultural workers have been functioning since 1966. These help people working within the Ministry of Culture and Tourism system to improve their skills. The Cabinet of Ministers of the Republic of Azerbaijan ratified, by Order № 309s (2008), "The Development Programme on improving the activities of children's music, art and painting schools in the Republic of Azerbaijan (2009-2013)", to improve organizational and infrastructural provisions in this field.

The Ministry of Youth and Sports is working on the basis of the current 5 years State Programme related to Youth, which is mainly focused on the creation of a good environment for young talented people. In this field, the Ministry of Youth and Sports is focused only on activities related to University, while MCT is in charge of supervising and managing schools under its umbrella.

The programme is developed by more than 30 bodies working together (among the others: MCT, Ministry of Education, Ministry of Health and the representative of youth organizations - including Azerbaijani people living abroad).

The Ministry of Youth and Sports deals with competition and events aimed at ensuring a fruitful and inspiring environment for young talents and manages two awards for talented students. In this sector the Ministry operates in a transversal way, provided that the activities are devoted to people in the age range of 14-29. Every 2-3 years the Ministry of Youth and Sports, in collaboration with other Ministries and stakeholders, organizes a summit with creative people to gain a picture of the situation in the sector.

The Ministry has also an electronic service to facilitate the participation of young people from Azerbaijani Republic in international events.

In order to ensure the transition from the “memory school” that slows down pupils’ intellectual activity and general development to the “school of ideas and thought”, systemic measures will be implemented. Education at the level of full secondary education will be organized on the basis of specialization and individual developing programmes will be created for talented children.

University Estates (campuses) and appropriate industrial parks are intended to be created for institutions of higher education. Standards will be prepared and applied that will support institutions of higher education in nurturing specialists with knowledge and skills that meet

the country's socio-economic development requirements and in turning into centers of education, research and innovation.

The computerization of the information system is in the center of attention as one of the main directions of establishing general education at a modern level.

The *State Programme 2013-2020* foresees the computerization of the education system in the Azerbaijan Republic. Within the framework of the *State Programme*, all the education institutions of Azerbaijan (including schools located in remote regions) will be provided with access to the Internet.

In spite of the high number of schools at all educational levels, it must be stressed that some problems linked to the quality of the education emerged from the roundtable held with Azerbaijani non-political actors, whose outcomes are included in the document *Mapping of the Culture Sector Governance System*: actually the majority of the interviewed non-political stakeholders denounced a lack of skilled specialists - especially archaeologists, restoration specialists, engineers - teaching in the universities, since the transfer of practical know-how seems to be lacking.

More generally, in the opinion of several interviewed actors, a lack of awareness about the cultural and historical value and traditions of Azerbaijani country is spread not only among the civil society, but also at the management level. Such a kind of “disregard” towards culture brings about a series of related questions, mainly linked to weaknesses in education and training systems. Actually the majority of the interviewed non-political stakeholders outlined the need for a better education about Azerbaijani culture; for a more comprehensive “approach” to specialist education; the necessity for an improved training system for the professionals of the various culture sectors.

PRESERVATION AND RESTORATION OF NATIONAL TANGIBLE AND INTANGIBLE CULTURAL HERITAGE

The cultural heritage of every nation serves to present it internationally and reflects its national and spiritual values. In this regard, the priorities of the culture policy of Azerbaijan include protection and restoration of historical and cultural monuments, modernization of museum networks, the creation of electronic catalogues and libraries, support of immaterial cultural heritage and folk art, development of local culture centers, culture parks and ethnic parks.

According to its state policy and international obligations in the field of culture, the Republic of Azerbaijan, along with the protection of material and immaterial cultural heritage on its own territory, is making efforts to prevent the illegal expropriation of culture values, damage to culture values as well as the destruction of the remaining material culture treasures on the territories occupied by Armenia and the illegal utilization of touristic routes on these territories.

4) Restoration and protection of historical and cultural monuments

Azerbaijan is a country with a rich material culture established in the course of thousands of years. According to the classification of historical and culture monuments which has been pursued since 2001, there are 6308 objects in the Republic of Azerbaijan which are protected by the state. The Republic of Azerbaijan also has 27 historical, culture, architectural, arts and ethnic reserves.

In 2000 the historical and architecture reserve “Old City of Baku” as well as the Palace of the Shirvanshahs and the Maiden Tower were included in the UNESCO World Heritage List. In 2007 Gobustan National Park joined this list as well. These objects are maintained in good condition, they have become a part of new touristic routes and are being turned into touristic objects adhering to all up-to-date requirements.

The works aimed at the restoration and preservation of historical and culture monuments, installation of drainage systems for flood protection, installation of lights and information signs, as well as the issuance of passport for historical and culture monuments and set-up of preservation areas are still in progress.

In line with the further reforms aimed at the protection of the national culture heritage the President issued his Decree No. 195 dated 27th December 2013 approving the “State Program 2014-2020 for the Restoration of Historical and Culture Monuments, their Preservation and Improvement and Development of Activities of Historical and Culture Preserves”. One of the objectives of the Program is also a high-level security for historical and culture monuments and reserves as well as the restoration of culture heritage objects, their study, promotion and development.

Along with the above points, the restoration and protection of historical and culture monuments, development of historical and culture reserves, implementation of security measures, study and promotion of historical and culture values also presume the following steps:

- ✓ improvement of the protection of the national heritage objects which also includes the inventory control of these objects and architectural monuments, set-up of protection areas, issuance of passports and creation of a modern data base;
- ✓ intake of international experience related to the preservation, restoration, use of historical and culture monuments, adoption of best modern practices and, if necessary, engagement of international experts to fulfil these tasks;
- ✓ improved preservation of historical and culture monuments located in historical and culture reserves. For this purpose, the borders of historical and culture reserves are to be set and maps are to be issued. It is also necessary to make the lists of monuments located in these reserves, to issue passports for them, to create a sophisticated data base and to develop the material and technical base of the preserves;
- ✓ restoration and conservation of historical and culture monuments;
- ✓ improvement of legal regulations related to the preservation of the culture heritage
- ✓ study of historical and culture monuments including possibilities to utilize these objects for tourism;
- ✓ creation of a modern touristic infrastructure based on historical and culture monuments suitable to be utilized as touristic objects;

- ✓ protection of historical and culture monuments against vandalism and any kind of damage;
- ✓ survey and implementation of measures related to the condition of historical and culture monuments located on the occupied Azerbaijani territories or abroad;
- ✓ training of highly qualified professionals for the preservation of historical and culture monuments;
- ✓ promotion of the monuments of Azerbaijani culture in Azerbaijan and abroad.

Remarks based on EU framework

Over the last sixty years, an increase of interest in protection, conservation and restoration of cultural heritage has gradually risen. Heritage has been felt as a responsibility of the entire nation and of the international community. The same concept of cultural heritage has considerably evolved in this period, no longer including solely single objects or sites but entire historic cities, cultural landscapes and rural settlements.

In this regard, it can be helpful to observe the evolution of the concept of cultural heritage within relevant international organizations, such as UNESCO, the Council of Europe (CE) and ICOMOS, which have decisively contributed to the modernization of the field.

International organisations have enlarged over time the sphere of what has to be considered as cultural heritage and, as such, worthy of protection (UNESCO Convention on protection of cultural and natural heritage was expanded to historic cities and cultural landscapes in 1972; the document was complemented by the Convention for the Safeguarding of the Intangible Cultural Heritage in 1992 and by the Convention on the Protection and Promotion of the Diversity of Cultural Expressions in 2005). At the same time, it has been realised that effective historical preservation cannot be achieved without integrating sensitive territorial planning into objectives of economic and social development. In other words, effective historical preservation requires an "integrated conservation" approach, which has to be meant as a "joint action of technical restoration and research of appropriate functions" (Amsterdam Charter, 1975).

Moreover, the regulatory framework related to interventions on cultural heritage that is currently emerging at national and international level (Horizon2020, national guidelines on the reuse and enhancement of Cultural Heritage, Smartcities) is based on the need of a comprehensive approach to the conservation projects that include environmental protection, new functions, enhancement, management and communication.

In a broader sense, heritage protection has been placed in the wider context of sustainable and equitable development, social resilience and intercultural dialogue.

This new understanding of the role of heritage opens up new opportunities and calls into the conservation process different sectors and actors. Preservation of the architectural heritage is considered an essential goal for urban and spatial planning. Local authorities are identified as

key actors in this process and as being directly responsible for the achievement of this goal in collaboration with urban and rural communities as well as with national authorities.

The participation of communities in the heritage, town and space management and the consideration of social factors is seen as a condition necessary for the success of any conservation and urban reclamation policy. In this framework, developing a policy of conservation also means to integrate the architectural heritage into social life. Thus, the problem shifts from a technical level addressed at simply ensuring a good work of conservation on the material fabric to a more strategic one addressed at revitalising heritage by returning it to the community. The conservation effort must be measured not only on the retention of the cultural (historic, scientific, artistic, etc.) value of the buildings, but also on the extent to which a conservation/ restoration work has allowed or triggered new economic and social values.

It is not by chance that the Report of the Horizon 2020 expert group on cultural heritage “Getting cultural heritage to work for Europe”, published in 2015, states that Cultural heritage is a significant force for 21st century Europe. Not only it is at the heart of what it means to be European, it is being discovered by both governments and citizens as a means of improving economic performance, people’s lives and living environments. Cultural heritage is increasingly regarded as a positive contributor to European GDP. Indeed, Cultural heritage is now widely appreciated as an essential part of Europe’s underlying socioeconomic, cultural and natural capital. This is a significant change in focus as cultural activities have traditionally been regarded as costs to society.

The economic benefits of cultural heritage have most commonly been seen in terms of tourism, but it is now also seen as an innovative lever for growth and employment in a wide range of traditional and new industries. It is also needed to recognise cultural heritage as a major contributor to social cohesion and engagement and as a way of bringing together communities and stimulating young people to engage with their environment. Many countries have successfully exploited these benefits, generating prosperity, bringing new jobs and creating improved environments.

All of the above does not mean that the ‘traditional’ topics and challenges of conservation have been solved, in fact, improvements in technical aspects of conservation remain among the key strands in the conservation realm, especially because the expansion of the tangible heritage to be preserved calls into questions new objectives, technical solutions, expertise,

economic viability, etc. However, new challenges are now to be considered, such as making heritage accessible to all, supporting community participation in heritage protection, ensuring the sustainability of conservation over time by setting up appropriate management mechanisms and strategies to ensure its maintenance and its reintroduction in the production of socio-economic and cultural values.

The evaluation of long term sustainability initiatives is a matter of growing importance in the programs of heritage conservation. Restoration is now accepted in terms of economic analysis, but also in terms of "service management" and promotion. As a result, the restoration has evolved from a simple conservation intervention to a wider initiative that includes the entire urban environment and ancient cities, turning into "urban renovation".

Outputs of the analysis

The main institutional actor in the field is at present the State Service for Cultural Heritage Conservation, Development and Rehabilitation. It was established under the MCT in December 2014 with Presidential Decree, that came into force in January 2015, in order to implement the presidential decree of 2013 on restoration of cultural heritage, which has wide importance for the sector.

Thus, the competences on cultural heritage utilisation and conservation, that before the decree were spread under different departments of MCT, have been grouped under the State Service in a sort of reorganisation of the sector.

In particular, the State Service undertook most of the duties of the Department for Utilisation and Conservation of Cultural Heritage of the MCT, whose functions were therefore sensibly reduced. The State Service has 2 Departments: 1) Development and restoration of cultural heritage; 2) Supervision on protection of cultural heritage.

The monument restoration/protection cycle is the following:

- ✓ the local Tourism Departments of the Ministry point out which are the monuments to be restored or which are the new “discovered” monuments whose historical value must be defined;

- ✓ the State Service keeps record of all the newly discovered documents and of the ones to be restored in two separate lists, which are updated on the basis of the information received from the local Tourism Departments;
- ✓ the updated lists are sent to the MCT. According to its feedback, experts can be sent on the site for a survey;
- ✓ in case of positive feedback from the Ministry, the list is sent for approval to the Cabinet of Ministers, that can send other experts for further verification if it is deemed necessary.

The experts come normally from the MCT and/or from the Academy (only rarely from the State Service), because the State Service only deals with the legal aspects, while the historical value and the technical matters are dealt by the MCT and the National Academy of Sciences.

The restoration works are assigned through open tenders but the design is made by the internal institute under the State Service, Azerberpa, which prepares the project, while the State Service launches the tender.

At the moment, the State Service is also proceeding to the listing of cultural objects, because the existing list of “culturally relevant areas” approved in 2001 from the Cabinet of Ministries is obsolete and must be completely updated. In this regard, it must be underlined that the State Urban Planning and Architecture Committee, which is the key actor for General and Basic Planning, stressed proposal to include in the list also some newly constructed areas which are considered valid from a cultural point of view.

The main laws and guidelines regulating the State Planning functioning are: the *Law on protection of cultural heritage*; the presidential decree on the implementation of the *Law on protection of cultural heritage*; the general regulation for the State Service and the internal regulations for each Department, that are now being finalised.

It must be underlined that when the competences now under the State Service were under MCT, the Ministry’s Department for Utilisation and Conservation of Cultural Heritage used to collaborate with International organizations and foundations such as ICOMOS, UNESCO, ICCROM, the Romualdo Del Bianco Foundation, the Smithsonian Institution, mainly for implementing periodical projects. At present, it is not clear if this kind of collaboration on International projects will be maintained also by the State Service.

State Service also interacts with public unions and NGOs: in particular the NGO “Let’s protect historical monuments” to pursue the protection of monuments located in occupied areas.

Another fundamental actor in the field of protection and restoration of cultural heritage is the Academy of Sciences. The National Academy of Sciences of Azerbaijan Republic is one of the major science and research organizations in the country. This organization consists of a number institution such as the Institute for Architecture and Art and Institute for Archaeology and Ethnography.

These two mentioned institutions are responsible for researching and excavations of architectural monuments and archaeological sites. They closely cooperate with the Ministry of Culture and Tourism of the Republic of Azerbaijan in the field of preservation of cultural heritage.

The Academy of Sciences must be also consulted on all restoration, regeneration, conservation and reconstruction projects for protected monuments that can only be carried out after receiving approval from the Ministry of Culture.

Regarding the formal procedure: the Ministry of Culture and Tourism is entitled to assign a Listed Property status to cultural heritage properties recognized as having historic, architectural, or archaeological cultural significance. According to the legislative process, the monument is then included in the National Registry of Monuments protected by the government and its status is confirmed by the Cabinet of Ministers.

Also the Investment and Property Management Department of the MCT deals with the matter in object, with specific reference to supervision and controls activities.

The State Department of the Historical and Architectural reserve of Icherisheher deals with conservation, restoration and reconstruction of monuments and cultural objects that are in the territory of the reserve. Anyway, no action can be implemented without a previous feedback from the Academy of Science.

The Ministry of Ecology and Natural Resources is also involved in the field, performing following functions and related processes:

- ✓ classification and listing of “natural monuments” through which the “passport” of the natural object is officially registered. The Ministry of Ecology prepares the list and submits it to the Cabinet of Ministers for the approval
- ✓ supervision on the state of the art and activities within the natural protected areas under Ministry’s control, and of the cultural objects situated in such areas.

In case those objects are situated within the administrative boundaries of cities, such supervision is made in collaboration with the local executive powers.

With regard to the above mentioned matter, it must be underlined that there is no specific plan according which the modalities of the protection of these objects are defined, but they must be safeguarded as an integral part of the reserve/protected natural area.

In the interaction between the MCT and the Ministry of Ecology, the document *Mapping of the Culture Sector Governance System* highlights some overlaps due especially to the fact that more and more the special protected areas, which are under the Ministry of Ecology, can be used for touristic purpose, about which the MCT is competent. This circumstance asks for a prompt alignment of the licensing mechanisms and more generally for a better coordination and communication method between the two Ministries. In particular, the Ministry of Ecology asked for a clear subdivision of the “state importance forest areas” to be included under the MCT powers and those under the Ministry of Ecology. Such division at present still lacks.

Main questions emerged as for non-governmental organisations in regard to protection of the cultural and historical past:

- ✓ delay in application and implementation of advanced technological innovations in culture heritage area (no timely approach to the technological innovations);
- ✓ lack of skilled specialists and no proper education and training at the universities for archaeologists, restoration specialists, engineers etc. (Mostly theoretical knowledge provided by the universities. Practical knowledge and know how appears to be as seriously lacking);
- ✓ need for an increased support from the State/MCT for implementation of the projects on cultural heritage abroad;

- ✓ overlapping or not clear division of competences that at times affects actors of the same level (such as between Ministries) and, at others, actors with different jurisdictions (i.e. between Ministries and Municipalities);
- ✓ need to strengthen legislation, and to introduce more severe sanctions for those who do not respect law;
- ✓ reduction of the funds for restoration and conservation due to the last years' economic crisis.

5) Modernization of the museum branch

Taking into consideration the importance of a functioning museums networks for the social, economic and cultural development in the Country, a new approach to the management of the sector shall be introduced so as to rendering museums able to protect their collection, to attract public and to become part of international networks.

In this light, particular attention shall be devoted to:

- ✓ improvement of preservation, conservation and restoration of museum collections also creating an electronic database on museum items and a centralized information system and by issuing passports for all artwork;
- ✓ improvement of design quality of museum exhibitions, organisation of conceptual expositions and exhibitions on various themes;
- ✓ integration of museums in the touristic routes, elaboration of educational and interactive programs for establishing contact with all groups of citizens: individual tours, programs for families, children and youth;
- ✓ development of museum marketing and compilation of tourist-oriented catalogues, calendars, brochures and souvenirs, including regular questionnaires related to exhibitions currently in progress.

Remarks based on EU framework

According to the ICOM Statutes, adopted during the 21st General Conference in Wien, Austria, in 2007: “A museum is a non-profit, permanent institution in the service of society and its development, open to the public, which acquires, conserves, researches, communicates and exhibits the tangible and intangible heritage of humanity and its environment for the purposes of education, study and enjoyment”. This definition is used as a point of reference by the international community.

This definition of the museum is so valid regardless of any restrictions that may result from the administration responsible, local statutory conditions and operating systems. In addition to the 'museum', defined as such, the following items are included within this definition:

- ✓ sites and natural monuments, archaeological and ethnographic sites and historical monuments that have the nature of museums for their acquisition, conservation and communication characteristics;
- ✓ the institutions that preserve the collections and present living plant and animal specimen collections, such as botanical and zoological gardens, aquariums, nurseries;
- ✓ science centres and planetariums;
- ✓ conservation institutes and exhibition galleries permanently dependent from libraries and archival centres.

Actually, the expanding concept of cultural heritage has led to a reflection about the nature of the exhibition structure, which goes up to new categories such as the so-called multi-experiential ones, to the need of spaces to freely engage the different contemporary artistic expressions of the large-scale works and complex installations. For example, specially designed gardens and parks are becoming more and more popular. They are often outdoor spaces attached to museums, dotted with site specific works which have an active relationship with the environment.

Coming back to ICOM definition, it shows that contemporary museums are considered multifunctional centres, active in preservation, research, documentation (with the presence of libraries and conference rooms) and promotion activities. Overtime, museums have acquired the capacity of enhancing, in economic terms, the value of the materials they preserve,

whether implemented through the setting up of retail outlets of books, catalogues, videos, design objects, gadgets or other economic activities.

By sharing cultural experiences and productive inputs, museums represent the mainstay of activities aimed not only to passive protection, but also to the enhancement of the historical, scenic, environmental, crafts and culinary resources of the territories. Thus, museums are initiating the necessary integration between tourism, culture and environment. Activities such as tourist itineraries are one of the example of the enhancement of the dialogue between conservation of memory and cultural resources of the territory.

The changing patterns of museum activities have been accompanied by a growing management autonomy and by an improvement of private sponsorships, opening up new opportunities to promote redevelopment initiatives, and to support research, culture and education. Moreover, donations or bequests from collectors or from the artists themselves contribute to the development of museums dedicated to contemporary art. Among them, transformations of studies of artists in exhibition spaces are particularly important.

The museums' legal framework can be of public or private nature. If they belong to public bodies they are intended for public use and carry out public service. If they belong to private persons they are open to the public and carry out private service of social value. In order to improve the enjoyment and the promotion of cultural heritage, services to the public are also introduced in museums as “no properly cultural assets”. Examples of such services are: the publishing service, the sale of catalogues, audio-visual tools; the store management and the commercial utilization of the reproductions of goods; the reception services, including those of assistance and entertainment for children; information services, cafeteria services, catering, wardrobe, the organization of exhibitions and cultural events.

Outputs of the analysis

In Azerbaijani there are about 200 museums, 34 picture galleries and exhibition halls. The main leading museums are Azerbaijan State Art Museum, Azerbaijan Carpet and Folk Applied Art Museum, Azerbaijan State Theatre Museum named after J.Jabbarli, Azerbaijan State Museum of Musical Culture, Azerbaijan State History Museum and Azerbaijan Independence Museum.

The majority of museums are under the Ministry of Culture and only 4 of them are controlled by the National Academy of Sciences. Moreover, the Baku city Main Department of Culture and Tourism manages a network of organisations, which also comprises museums, and copes with all the bureaucratic and administrative procedures on behalf of the members of the network. This is done in order to leave to the institutions enough time to deal with their core tasks instead of spending energies for administrative burdens.

Since 2010, each museum has been recording and keeping inventories of its own collection. However, these data have not yet been transferred from paper to an IT database.

In general, modern equipment and technical facilities are still scarce: only some museums in Baku have computers, while only the two main museums had Internet connections and websites (the Museum of Musical Culture, the Carpets and Applied Arts Museum). In recent years, though, efforts have been made in order to improve the use of internet and three Azerbaijani museums (Carpet, History and Art) have been included in the Google Academy Platform thanks to the cooperation with the Ministry of Communication and Technology.

In terms of marketing, usually museums do not have staff dedicated to this activity and only in recent years it becomes a priority for some museum directors. It has to be mentioned that not all museums have their own publications and publicity material. Cultural actors need support to develop their own communication tools and specific audience development strategies. This requires to look at information, marketing, customer care, public facilities, accessibility, labelling and staffing from the perspective of the customer.

6) Modernization of libraries and related information supply

Libraries are indispensable tools for the collection, storage and transfer of historical, culture, literature, art, scientific and philosophic heritage of the Country, as well as in the development of the intellectual and moral potential of the society. They are also essential in order to ensure self-education and lifelong learning opportunities. In this light, necessary work shall be carried out in order to guarantee the digitalisation of libraries and the improvement of their technical basis taking over the experiences of other countries. Attention shall be also paid to the 8 central library systems that are located in the occupied territories.

Within the above mentioned framework, in Azerbaijani Republic particular emphasis shall be given to the:

- ✓ development of a coordination plan for the State Library Fund of the Republic of Azerbaijan in order to enable connections between libraries and to enrich their stock with foreign books; creation of a state fund dedicated to foreign literature and electronic book collection;
- ✓ automation of the library-bibliographic process in libraries and development of the Azerbaijani National Automated Catalogue Format (AZMARK) as the national format for the elaboration of electronic catalogues and libraries;
- ✓ publication of a catalogue of national collected editions;
- ✓ drafting and publication of bibliographies, questionnaires and retrospective publication programs;
- ✓ protection, restoration, conservation and digitalization of literature heritage library resources and rare books;
- ✓ retro-conservation of library catalogues and improvement in the service quality.

Remarks based on EU framework

Nowadays, public libraries have to face the progressive detachment from the vast majority of people: this is due to the fact that library services are not aligned with citizens' needs and because of the common image of a public library as an "old-fashion" study hall.

The crisis of public libraries is also exacerbated by the major impact that internet has already had on how people find and access information, coupled with the rising popularity of e-books. The availability of free computers and internet access now rivals book lending and reference expertise as a vital service of libraries. It appears evident that the traditional books catalogue cannot compete with instruments like e-Bay, online bookstores, YouTube, blogs and open source software.

In this changing landscape, public libraries need to adjust their services to these new realities and to reshape their role in order to intercept people needs. Even more in depth, they need to be transformed into a meeting place where people can relax and participate in cultural event. This implies not only to rethink library services, but also to change the perception that people have of the public library itself. To reach this result, it will be crucial to start considering the user as a customer whose genuine necessities have to be satisfied.

The Idea Store in London is an example of how this new type of library can have a concrete expression. The Idea Store is a chain of new libraries that has adopted the strategy of using a visual language inspired by the one of the shopping centres in which libraries are located. Therefore, each library is conceived as a multi-purpose centre with training and leisure spaces for adults and families, as well as information services and coffee spaces. In this case, the innovative and successful idea was to use specific marketing and communication tools.

Another example is the Oblate public library in Florence. It used to be an old style library for students (with no more than 70.000 users per year). To face the fact that the library was not attractive for the general public, the municipal administration decided to radically change the nature of the place and to make it a larger, friendly and open cultural "square". Therefore, they opened new spaces for kids and a cafeteria, embraced a wider use of technology, bought more than 1.2 million euro of new books, extended opening hours up to midnight, started organizing jazz concerts and book presentations. Moreover, they organized a network of more than 70 local libraries with an inter-library borrowing system. Today, the Oblate library

has more than 510.000 users per year and it is a well-known meeting place for citizens and tourist of the city.

Taking in consideration the challenges that libraries have to face, it is crucial for this sector to:

- ✓ know how to address differentiated public (in age, culture, nationality now);
- ✓ propose answers to information needs;
- ✓ ensure different types of use (individual and group study, informative and bibliographical assistance, loan);
- ✓ offer various types of services and embrace a wide use of technology.

Outputs of the analysis

Azerbaijan has an extensive network of libraries. The Ministry of Culture and Tourism manages the National Library of Azerbaijan, mass and children's libraries and centralised library systems. Other libraries are under the State Caspian Shipping Company, the Confederation of the Trade Union, State Oil Company, Committee on Trade Union of Employees of the Education, Independence Trade Union of the Transport and Road Economy.

Notwithstanding this extensive library network, there was a significant decline in the number of public libraries due to the fact that the ones located in rural areas have been gradually converted into cultural centres.

In Azerbaijan, the Department of Tourism and Department of Book Circulation and Work with Publishing Houses of the Ministry of Culture are in charge of coordinating the activities of libraries and of controlling that state funds are adequate, including the financing for collection, protection, conservation and restoration of books. Moreover, the Department of Book Circulation and Work with Publishing Houses supports the automatization of the library-bibliography process and the development of electronic catalogues.

Another actor involved in the management of libraries is the Baku city Main Department of Culture and Tourism which is responsible for the administrative procedures of a network of cultural organisations comprising also libraries.

In the recent years, both infrastructure and technical equipment of the libraries has been improved. Several libraries have now internet access and information centres. Moreover, as recorded in the document *Mapping of the Culture Sector Governance System*, the digitalisation of libraries is foreseen by the State Program “On development of library-information field in 2008-2013 in the Republic of Azerbaijan” and the Ministry of Culture and Tourism is cooperating with the Ministry of Communications in order to assess the software to be used by the libraries under the Ministry of Culture and Tourism. Also, the Baku city Main Department of Culture and Tourism is working on the digitalisation of the libraries included in the network employing an ICT programme named Alyssa.

7) Protection of immaterial cultural heritage, and use of the available personnel of city culture clubs

The rich immaterial culture heritage of Azerbaijan which was created in the course of thousands of years represents the core of the national spirit and culture and is a pride for every citizen of Azerbaijan. Such treasures of immaterial culture heritage as *Mugam*, the works of Azerbaijanian *Ashiks*, *Navrez* holiday, carpet-making and performance of the *Tar* belong to the Representative *List of the Immaterial Culture Heritage of UNESCO*, the horse game *Chovgan* coming from Karabakh belongs to the List of the endangered immaterial culture heritage of UNESCO.

In order to preserve, restore and support country study, folklore and crafts in Azerbaijan, the following tasks shall be pursued:

- ✓ promotion of customs and traditions, preservation of national holidays and ceremonies, restoration of historical symbols and traditional knowledge with the purpose of developing country studies as well as historical and cultural experience of the people of Azerbaijan;
- ✓ fostering the development of national music and dance art;
- ✓ preservation of national storytelling traditions, revival of national dance and games;
- ✓ development of folklore studies with the purpose to revive it, preservation of the national decorating art, revival of painting art;
- ✓ exploitation of the available personnel of city (district) culture clubs, so as to use their assistance to promote folklore and crafts through the integration of national arts and traditions into the existing touristic routes, to develop technologically advanced culture parks, to carry out country studies.

Remarks based on EU framework

In current universally accepted understanding, the traditional distinction between tangible and intangible heritage must by now be considered outdated: cultural heritage constitutes a comprehensive category made of tangible heritage (buildings, monuments, landscapes, books, works of art and artefacts), intangible heritage (folklore, traditions, language and knowledge) and natural heritage (cultural landscapes and biodiversity).

This unity is nowadays universally accepted at international level. Consequently, in the guidelines adopted by EU on heritage both categories are almost always addressed jointly.

European Resolution of 8 September 2015 *Towards an integrated approach to cultural heritage for Europe*, points out the importance of preserving intangible cultural heritage which represents the living culture and fuels traditional crafts, music, gastronomic heritage.

However, since the major authority dealing with the intangible is UNESCO, it is preferable referring to the suggestions indicated by UNESCO in order to allow intangible cultural heritage to achieve in the global context a respect and understanding equal to the tangible heritage.

According to UNESCO, priority should be given to correctly understanding each nation's intangible cultural heritage, and, through the *International Convention for the Safeguarding of Intangible Cultural Heritage*, provides broad categories within which to identify it, such as oral traditions, languages, performing arts, social and ritual practices, knowledge and practices concerning nature and the universe, knowledge and craft skills and spaces associated with them, that communities, groups and even individuals recognize as part of their culture.

In its articulation, the Intangible Cultural Heritage to be safeguarded:

- ✓ must be transmitted from generation to generation;
- ✓ must be constantly recreated by communities and groups in close correlation with the environment and its history;
- ✓ allows communities, groups as well as individuals to dynamically process the sense of social and cultural belonging;

- ✓ promotes respect for cultural diversity and human creativity;
- ✓ spreads the observance of respect for human rights and sustainable development of each country.

Each nation's intangible cultural heritage exhibits the coexistence of the universality of humanity and the special features of the community in the area where the intangible heritage was created and transmitted.

Unlike tangible heritage, intangible cultural heritage and its performers can move from one area and travel to perform in another: intangible cultural heritage has been transmitted for hundreds if not thousands of years by communities and carries its historicity. Thus, when a region's intangible cultural heritage is introduced to another area, the regional characteristics of that heritage should be explained sufficiently to enable the people of that other region to understand it.

The importance of the matter is emphasized by the connection of intangible heritage with the spheres of national and ethnical identities. It makes the field very sensitive and delicate especially in some areas of conflicts or potential conflicts.

Authorities should stress the importance of developing a true democratic and participative narrative channel for intangible heritage, including that of religious and ethnic minorities. The existence of intangible traditions which refer to different or contested historical pasts should not refrain this approach, and reconciliation processes should not lead to a suppression of historical consciousness of communities.

All the stakeholders are invited to reflect on the ethics and methods of presentation of the cultural heritage and to take diversity of interpretations into account. The importance of supporting cultural activities of migrant communities should be also considered.

Intercultural dialogue both within and outside the countries is of fundamental importance, and the authorities should promote such dialogue as an appropriate tool against radicalism of whatever origin.

The specific characteristics of national minorities regarding cultural heritage call, accordingly, for the preservation of their cultural heritage and for the promotion and protection of cultural diversity. In particular, cultural discrimination against religious and ethnic minorities is to be avoided by all the stakeholders.

It should be stressed that religious heritage constitutes an intangible part of the cultural heritage, and the importance of places, practices and objects linked to religious practices should not be disregarded in a discourse of cultural heritage or be subjected to any form of discriminatory treatment. In line with this, historical religious heritage, including architecture and music, must be preserved for its cultural value, regardless of its religious origins.

It is also of utmost importance to preserve cultural landscapes. As pointed out by EU, it urges considering the merging between protection of intangible heritage and other fields, like the tourism plans. In fact, EU strongly stresses how cultural tourism, to be identified as an important economic asset in contemporary societies, would surely benefit from preservation and improvement of cultural heritage, which includes intangible heritage such as languages, religious and culinary traditions.

In brief, authorities are called to include the intangible cultural heritage to a larger extent in the respective programs, considering its important contribution to the cultural and creative industries as well as to social inclusion through culture.

Another question to be taken into consideration is the matter of copyrights for intangible cultural heritage. Usually, when we speak of a copyright we tend to limit it to an individually created work of art. Intangible cultural heritage, however, is not created by an individual. It is the product of a community. The issue of ownership and other rights on intangible heritage is now taken up by the World Intellectual Property Organization (WIPO), which is preparing rules for protecting traditional knowledge and traditional cultural expressions. These laws favour an area's community residents who own the intangible cultural heritage.

These copyright laws not only have programs for affirming their rights on their intangible cultural heritage. They also include rules against using cultural expressions negatively or disparagingly. WIPO considers legal issues of state and international laws as well.

Also the European Commission works to harmonise laws relating to intellectual property rights (IPR) in EU countries to avoid barriers to trade and to create efficient EU-wide systems for the protection of such rights, given that in increasingly knowledge-based economies, the protection of intellectual property is important for promoting innovation and creativity, developing employment, and improving competitiveness. The Commission's overall strategic vision, which moves towards a true Single Market for intellectual property that is currently lacking in Europe, is presented within the Communication *A single market for intellectual*

property rights: Boosting creativity and innovation to provide economic growth, high quality jobs and first class products and services in Europe'.

Outputs of the analysis

The government pays special attention to preserving, restoring and supporting Azerbaijan's intangible cultural heritage, which includes locallore (customs and traditions, ceremonies and festivities, symbols and mysteries), national folklore (music and dances, verbal literature traditions, games and performances), craftsmanship (traditional applied, visual and decorative arts). The Republic of Azerbaijan joined UNESCO in 1992 and has been selected as a Member of the UNESCO Intergovernmental Committee for the Safeguarding of Intangible Cultural Heritage. The eighth session of the Intergovernmental Committee was held in Baku, on December 2013.

A question that has always been of central importance is related to:

- ✓ inventorying intangible cultural heritage;
- ✓ monitoring of Azerbaijan's intangible cultural heritage;
- ✓ providing legal, administrative, financial, information, personnel, infrastructure and international mechanisms.

One of the aims of the monitoring is to prevent authentic folk art from being lost forever, and replaced by an urbanized and often spurious brand of folk culture.

Thus, the first priority of state cultural policy in this area must thus be to collect and preserve examples of this heritage: a substantial amount of material has already been collected. A particularly important contribution has been made by the Dede Gorgud Cultural Research Centre, which is run by the Literary Institute of the National Academy of Sciences. Huge amounts of material of major historical and cultural importance are also in private collections. It is obviously vital to centralize all this precious and widely-scattered information on a single data-base, operated by one of the existing cultural institutions.

The *State Programme for Safeguarding Azerbaijan Intangible Cultural Heritage (2011–2020)* has been approved. It foresees a number of safeguarding measures, including development of safeguarding models and plans adapted to the situation of the country and its regions, promotion of elements of intangible cultural heritage, reinforcement of legal

protection of intangible cultural heritage, and elaboration of education and training programmes for a better understanding of the concepts of the 2003 Convention. The programme also foresees creation of a database of 'subjects' related to safeguarding with the aim of putting emphasis on safeguarding experiences of bearers and practitioners (masters, performers and performing groups, craftspeople, experts in regional studies, folklore and craftsmanship, non-governmental organisations and private institutions).

However, a specific law for intangible heritage is still lacking, as well as a law for copyrights protection.

"The Programme on the People's Creativity Capitals for 2010-2014" of the Ministry of Culture and Tourism of the Republic of Azerbaijan has been approved. According to the programme, the relevant Action Plans are being implemented in the cities declared as "Folklore Capital of Azerbaijan" and "Legends Capital of Azerbaijan".

Besides numerous actions, festivals, fairs, concerts, projects, etc., implemented during the realisation of "The Programme on the People's Creativity Capitals for 2010-2014", some local initiatives retained a traditional character, namely The Biennial International Ashigs Festival, The Annual International Masally Folklore Festival, The Annual Balaken International Folklore and Tourism Festival, The Annual Guba Apple Festivity, The Annual Gabala Jam Festivity, etc. Taking into account the success of this regional ministerial Programme, it was decided to extend it for the following years.

The Information Bank of portfolios held by specialists, performers, collectives, researchers, NGOs, and private structures in the field of Azerbaijan intangible cultural heritage is being created. The State Register of Azerbaijan Intangible Cultural Heritage Examples and the Cadastre of the Infrastructural Units of Azerbaijan Intangible Cultural Heritage are also being created.

Relevant National Action Plans have been designed and are being implemented under the supervision "Heydar Aliyev Foundation" and "Friends of Azerbaijani Culture Association", in order to ensure the safeguarding of examples of Azerbaijan intangible heritage.

Lastly, in line with the tasks set within the objective, the Ministry of Culture and Tourism – in particular through its Department for Cultural Institutions and Folk Art - has initiated the process of reorganisation of the cultural houses and community cultural clubs system, aiming

at broadening the platform of social participation in cultural life in the current economic circumstances.

Currently, the Ministry of Culture and Tourism owns under its structure more than 2,000 cultural houses and clubs, deriving from the “Dom Kulturi” established during the soviet period and spread all over the country.

They were mainly created to protect and promote Azerbaijani historical and cultural traditions, folk art, ethnography, folklore and crafts. This was ensured by organizing, among the others, cultural services and events (such as celebrations, concerts, festival, competition, fairs exhibitions, excursions, conferences, cultural tours, courses etc.) in favor of Azerbaijani population.

At present, despite the fact that the network of clubs is quite wide, there is a need to provide support in their modernization.

The revitalization of the above mentioned cultural houses and clubs could greatly support the regional development processes, especially in the rural areas, where both the existing structures and the available personnel could be successfully employed in order to develop educational and cultural initiatives, addressed at raising the level of knowledge and awareness of local communities, with special regard to the young generations, as well as promoting Azerbaijani crafts and traditions also in the view of boosting cultural and creative industries.

Section 2 - Mid and long-term strategy papers

INTRODUCTION

When presenting the mid and long-term strategy for the culture sector of Azerbaijan, it is worth making some considerations to better define the strategy itself.

The first one is that the government of Azerbaijan has already defined its priorities and policy orientation for the culture sector setting actions to be undertaken by 2020:

- ✓ the general strategy for the culture sector of the republic of Azerbaijan is set in the document widely cited above, *Culture Concept of the Republic of Azerbaijan*;
- ✓ further actions to be taken in the field of culture within mid-term are identified in the government document *Azerbaijan 2020: Look into the Future Development Concept*, approved by Decree of the President of the Republic on 29 December 2012, which sets the strategy for economic and social development of the Republic until 2020. This document dedicates a specific chapter (chapter 10) to challenges and objectives in the field of culture.

Accordingly, the mid and long-term strategy for the culture sector of Azerbaijan is built upon the foundations laid by the above mentioned two programming documents.

The second consideration to be made is that the strategy is developed within the framework of an EU-Twinning project. In this sense, its added-value is given by:

- ✓ updating and complementing Azerbaijani strategies on the basis of EU-recognized examples, tools and best practices;
- ✓ outlining the objectives that can be concretely achieved within the framework of the present EU project.

The third consideration is that, currently, the most impending challenge for Azerbaijan is represented by the diversification of the economy, which requires a substantial expansion and strengthening of the non-oil sector. In this sense, the strategies should outline ways to foster the role of culture as driver of economic and social development

Issues

In Azerbaijan, the issue of culture and cultural heritage should be addressed in an integrated manner, keeping it in relation to the general challenges to the sustainable development of the Republic.

In this sense, the development of cultural sector governance is expected to contribute to the general development strategy of Azerbaijan and, rather than constituting a cost for the state and the general public, it should represent a driver of the economic and social growth.

Following are highlighted the most relevant challenges:

Falling revenues for the public sector

The falling revenues for the public budgets represent a current global trend faced by all world governments, especially in Europe. This is particularly true for the republic of Azerbaijan, which, after weathering relatively well the 2008 crisis, is currently facing the issue of low oil prices for the foreseeable future.

Indeed, the slump in Oil prices started in 2014 is severely impacting Azerbaijan. The rapid decrease of oil revenues—the country's main economic driver for the past 10 years—poses real threats to macroeconomic and financial stability. In the last two years, the Manat (AZN) has undergone a severe devaluation.

Most relevant for our topic is the effect on the public budget.

Hydrocarbons represent over 90% of Azerbaijani exports and oil revenues are a critical part of the state budget, both because of the direct relevance of the state oil fund (SOFAZ) and because of the relevance of the oil sector in the whole economy sustaining the public expenditures through corporate and value added taxes.

According to the Azerbaijani Think Tank “Centre for Economic and Social Development”, the effect of the falling oil price has been dire for the 2015 and 2016 state budgets. State Oil Fund's contribution to public revenues is projected to decline by an unprecedented scale in 2015-2016. While public spending on all departments has grown steadily prior to the recent sharp decline in oil prices, the future projections suggest that the next public spending will be squeezed for the whole range of government activities, including support to cultural activities and heritage.

Like other sectors, culture is now facing tighter budgetary constraints and may struggle to ensure financing in the foreseeable future.

On one hand, it is obvious that the culture sector cannot face this challenge alone. The whole Azerbaijani public sector will have to develop an approach aimed at reinforcing its sustainability within tighter budgetary constraints. Public contribution to culture will probably remain its most important source of financing.

On the other hand, it is worth to highlight that the cultural sector may provide a positive contribution to the solution of the issue. While public funding will remain critical for an effective functioning of the sector, cultural heritage intrinsic characteristics make it suitable to attract diversified financing and reduce its reliance on public funding.

This has been positively stressed also by the *Culture Concept of the Republic of Azerbaijan*, that highlighted the need for the setting of optimal funding limits, measures to improve effectiveness and efficiency of public financing, as well as the expansion of alternative funding sources for cultural activities and development of cultural services.

Economy diversification and non-oil sector competitiveness

Strictly linked to the challenge above is the fact that Azerbaijani economy is widely considered too reliant on hydrocarbon exports.

While the growth of the Azerbaijani economy is considered a success story, two issues affect its sustainability: On one hand, as cited above the governmental budget is characterized by a considerable dependency from oil-related businesses. On the other hand, manufacturing and services outputs of Azerbaijan remain weak, especially in peripheral areas outside of the Baku-Absheron regions.

To sum it up, Azerbaijan may be victim of the widely known “resource curse”, in which the presence of a strong natural resources export sector ends up being detrimental to the development of the rest of the economy.

The issue is recognized by the Azerbaijani government that, in the *Azerbaijan 2020 concept* stressed that:

...[it is required] constant attention to such an important issue as preventing the danger of the country turning into a raw material appendage for the world economy in the medium- and long-term and becoming a technological “outsider” by eliminating the economy’s current dependence on the export of hydrocarbon reserves.

Although the export of hydrocarbons has been the main driving force of economic growth in the past decade, the main issue facing us at the current stage is to ensure the rapid development of the non-oil sector...

This issue is made even more urgent by the current global environment, characterised by low hydrocarbon prices for the foreseeable future.

It is therefore crucial for culture, as for other sectors of the economy and society, to provide a contribution to addressing this challenge, acting as a driver of sustainable economic growth for manufacturing and, most of all, services in the whole territory of Azerbaijan.

In this sense, culture can contribute to the development of non-oil sectors of the Azerbaijani economy. This may be a direct effect (increasing tourism attractiveness) or an indirect effect: culture has a positive spill-over effect on the development of creative industry and build-up of human capital.

The experience of EU countries shows that culture can act as a driver of economic growth and as a catalyst of investments in local economic environments. The EU-commission stressed that cultural heritage has spill-over effects in other economic sectors. For instance, tourism is estimated to contribute €415 billion to the EU GDP and 3.4 million tourism enterprises account for 15.2 million jobs— many linked to heritage, directly or indirectly.

Further, a study carried out by the EU commission in 2006, highlighted that cultural activities directly contributed to 2,3% of EU GDP, surpassing in importance crucial economic sectors such as: real-estate, textile industry, food, tobacco and beverages and chemical industry.

It is worth mentioning that this positive effect of culture on economic growth is particularly visible and features the most important development potential at a local level.

Indeed, the most recent research and contemporary projects show that the revitalization of historic areas and the safeguarding of cultural heritage can provide important economic benefits to local production systems, giving new impulse to economic activities and generating locally-rooted jobs.

Cultural heritage creates considerable externalities at local level in terms of image and attractiveness which is relevant for tourism but also for the whole economy: as cultural heritage helps to distinguish from other towns in the global competition, it is a key asset to brand cities and regions and raise their international outlook with the aim of attracting not only visitors, but also talents, businesses and capitals, increasing the competitive advantages of certain area in the so-called global “location market”.

Development of a cultural industry strengthen sustainable local development, since the characteristics of cultural and creative goods are that they cater essentially for a local audience, its languages and cultures. This makes it difficult for the production of cultural goods and services to shift to other continents. Therefore off-shoring is less developed than in other sectors of the economy.

These characteristics are particularly relevant for Azerbaijan, which is characterized by a strong disequilibrium between the Absheron-Baku region and the rest of the country. Peripheral areas would benefit strongly from appropriate policies aimed at cultural heritage protection and promotion, especially considering that many of them have invested in the development of recreational businesses.

Further investment in culture may play a crucial role in helping regions attract investment, creative talents and tourism. Paradoxically, whereas we are living at a time where information technologies have abolished distance and time constraints, “physical location” and the “socialization” factor remain decisive for economic success.

Cities and regions are competing to attract foreign direct investment and creative talents. In order to succeed they need to attach several new strings to their bows: diversified cultural offerings, quality of life and life style. Culture has become an important soft location factor and a key factor for boosting local and regional attractiveness.

In particular, the field of cultural heritage has the capacity to create high-skilled jobs. For this reason it is important to undertake initiatives on developing management and conservation training for workers and researchers in the field of cultural heritage, having long-term funding perspectives for networks of researchers.

Cultural heritage is, in fact, an area with potential for more and better employment, where the bridge between education and working life can be strengthened, for example through the development of quality apprenticeships, traineeships and the social economy. In this regard,

new and innovative funding opportunities should be developed to support management, conservation training, education and mobility for workers and researchers in this sector.

Harness the potential of Information technologies

The *Azerbaijan 2020 concept* stresses the fact that harnessing the potential of Information Technologies is a key challenge for future development of Azerbaijan.

The ICTs, as drivers of the new wave of globalization, “*gradually allow(s) an increasing number of countries to benefit from achievements in the sphere of innovations, advanced technical standards and new methods in management.*”

In the modern interconnected world, digitalization and digital accessibility of information are increasingly becoming mandatory for the success of any organization and economic sector.

This holds true for the cultural sector as well. It is today necessary to ensure accessibility via web of cultural products and cultural heritage, communicate effectively through the internet, especially social media. On the other hand, ICT can provide an invaluable support to the operation of safeguarding and protecting heritage, with special regard to collection and storage of information.

Cultural institutions and other providers of cultural services must therefore adapt their products and services to new technological tools since ICTs are progressively more incorporated into the cultural and creative sectors. This is particularly true for developing countries like Azerbaijan, which, starting from a position of disadvantage, can use ICTs for cultural content, creation, access, and distribution, and there are positive innovative models that are context specific.

This holds true for both tangible and intangible cultural heritage. ICTs are currently most commonly used for most tangible aspects, but the longer-term issue, both for the humanities and for the ICTs, lies with representing and interrogating meaning, which inevitably spans both tangible and intangible aspects of cultural heritage.

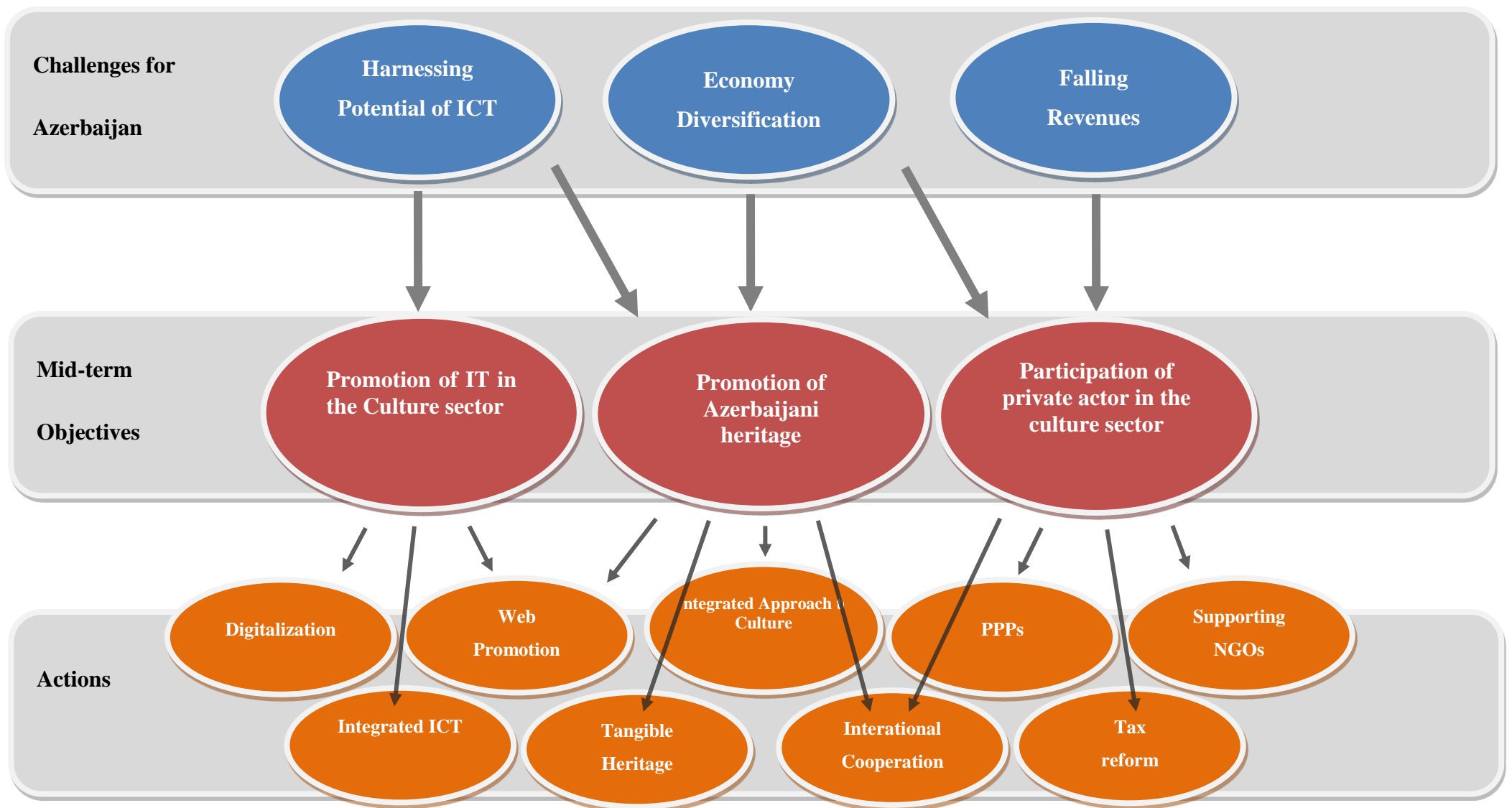
MID-TERM STRATEGY

Objectives

On the basis of these challenges, Azerbaijan must develop a coherent and integrated approach to the management of its cultural sector. Three main objectives can be outlined on the basis of said challenges and the reading of Azerbaijani programming documents:

- ✓ Participation of private actors in the culture sector
- ✓ Promotion of ITs in the culture sector
- ✓ Promotion of Azerbaijani heritage

Following, these objectives are described and benchmarks to be achieved in a 5 years period are proposed, also outlining the contribution of the present Twinning project to the process.



Foster participation of private actor in the culture sector

One of the main shortcomings of the Azerbaijani culture sector is its high degree of centralization: When discussing culture in Azerbaijan one is talking almost entirely about the Ministry of Culture and its activities. There is virtually no commercial cultural sector, nor creative industries in any substantial sense in the country. Cultural NGOs exist but, while some of them operate effectively and valuably, their scarce number means that they do not play a role of relevance.

This approach to culture management comes from the local administrative culture descending from the Soviet centralized approach to administration and management which is, today, increasingly outdated.

The general experience of EU countries highlights the necessity of promoting structural collaboration between the state, local and private entities, setting up a flexible governance approach in which a multitude of actor can jointly contribute to the achievement of a common objective. In such a governance model, the management of heritage is characterized by a variety of local situations made of different amounts, types and quality of assets, structures and institutional responsibilities.

Public policies in the arts and cultural sector should rarely be developed only by governments. In most democratic countries, third sector organizations, business firms and NGOs are deeply involved in the production, distribution and promotion of arts and culture, playing a major role in sustaining innovation in the creative sector.

Growing role is played by non-profit organizations operating in the arts and collecting funds from different public and private stakeholders. Attention must be paid on how the government takes decisions and intervenes in the cultural sector and how non-profit organizations might contribute to decision-making and raise attention on different policy issues.

On the basis of EU experiences, improving the participation of actors beyond central government to the cultural sector will foster the delivery of several positive effects, among which:

- ✓ A more modern and flexible management of the sector;

- ✓ Additional funding coming from the private sector;
- ✓ A cultural sector more responsive to the needs of the market and the expectations of citizens.

Accordingly, fostering participation of private actors may contribute to:

- ✓ Collect additional funding, partially relieving pressure on the public budget;
- ✓ Deliver cultural products and cultural heritage management more responsive to the needs of the market, contributing to the strengthening of the non-oil sector in Azerbaijan;
- ✓ Implement modern and flexible solutions in the sector, especially ICT-based tools and platforms.

The contribution of private actors to the culture sector are recognized by the Azerbaijani programming documents.

Indeed, regarding the improvement of the Culture Management system, the 2014 Culture Concept prescribe:

*“-improvement of the state culture system, development of cooperation with the local self-government bodies in culture management, including art management;
- cooperation with NGOs and private entities, protection and preservation of unique national cultural identity and diversity as well as multicultural diversity, consequent liberalization in the field of culture with the purpose of fostering private initiatives and projects”*

While, in regard to the potential contribution of private entities to funding, the concept paves the way for involvement of commercial and non-profit entities in the management of cultural heritage:

*“-use of alternative funding sources (non-budgetary funds, grants, donations and other legal funding sources) with the purpose of extending possibilities for the financing of culture;
- improvement and expansion of culture services rendered against fee by culture institutions through the development of management and marketing”*

Unfortunately, the Azerbaijan 2020 concept does not highlight specific actions to be taken in this regard. This is echoed by the current legislative asset which does not features any specific provision about tax incentives either for cultural production/services or for cultural sponsorship.

All financial operations are governed by general legislative acts, which include provisions for granting favourable conditions – such as a Tax Code allowing for simplified tax rates for self-employed individuals and SMEs or a Law on Grants assessing zero-level VAT on income received as a grant donation.

As identified in the present Twinning Project Fiche, an incentivised pluralistic funding approach would directly and indirectly lead to more innovative practices by cultural organisations than the current total reliance on one source, i.e. state 'subsidies' and 'state orders'. The present model actively discourages funding diversification through rules that make it complicated for state funded institutions to receive financial donations. In addition, there is an absence of any system of positive incentives either for sponsors to give or for cultural organisations to fundraise for themselves.

In this sense, the following policy recommendations for the next 5 Years are highlighted:

- ✓ In order to foster development of private profit and non-profit entities involvement in management of cultural sector, the state should continue and further strengthen the activity of granting and sub-contracting tasks to private actors and NGOs.

In particular, it would be highly advisable to:

Expand and reinforce the existing grant schemes for NGOs, fostering their professionalization and stable involvement in management of cultural assets through continuous projects.

In order to foster visibility of the opportunities coming from investment and engagement in the cultural sector, it would be appropriate to develop grants schemes to stimulate professionalization of marketing and communication strategies for grant-making and grant-taking organisations.

Participation to international activities by NGOs fosters professionalism and implementation of state-of-the-art practices in cultural management. Accordingly, it is recommended to explore the possibility of supporting international cooperation activities of NGOs through cutting red tape and strengthen the capacity of the Ministry of Culture to provide them support in grant management.

- ✓ Fiscal measures can be very important in stimulating private intervention as they provide individuals and companies incentives to take part in the financing of culture and arts. They can also favour the creation and development of non-profit cultural institutions with their promise of fiscal benefits. There are also initiatives to stimulate people's intervention in favour of third sector organisations in the cultural sector. Special tax schemes allow people to contribute 1 or 2% of their taxes (in Italy 5%) to the non-profit organisation of their choice.

It is recommended to develop:

a scheme of tax incentives for privates investing in culture and cultural heritage protection.

This policy development operation should involve the Ministry of Culture, the Ministry of Finance, the Ministry of Taxes, the relevant Parliamentary Committees. Open consultation of private actors through an on-line form and open discussion to be held at public events (seminars and conferences) and wide dissemination of such initiative is recommended.

- ✓ Forms of **public-private partnerships (PPPs)** can both bring to the culture sector additional financing and contribute to bring private sector experience in practices of culture management, fostering its modernization.

“Public-Private Partnership” is a broad term that encompasses a wide series of instruments for cooperation between the public sector and privates, such as project financing initiatives, complex forms of sub-contracting, establishment of trusts etc.

Attempts to formalize through law all kinds of PPPs and/or centralize their establishment and management are not advisable. However, the state has several instruments for fostering PPPs, which may include: establishment of a dedicated support agency, establishment of ad-hoc funds, development of operative units in support to the development of PPPs at a central and peripheral level.

It is therefore **recommended to explore one or more of these possibilities, possibly through a state program on the subject or, more simply, through the establishment of a joint working group of the Ministry of Culture and the Ministry of finance.**

The present Twinning project is expected to contribute to the realization of these objective in accordance to twinning Fiche. Expert's support will be provided and issues will be tackled under 1.5 "Road Map for Supporting in elaboration of a roadmap for full implementation of a new culture sector governance model and of an Administrative Reform Plan with milestones and timetable"

Promoting IT in the Culture sector

The growth of the cultural & creative sector will be fuelled by innovation in technology. Music, cinema, broadcasting, advertising and publishing, tourism and many other activities connected to cultural and creative sectors are confronted with the digital technology revolution

To achieve the transition to the digital world, states and companies and creators must master the skills required in the modern Digital World.

Implementing ICTs in all sector of culture would contribute to address different challenges:

- ✓ ICTs, such as digital catalogues and libraries, provide efficiency levels unattainable through traditional operative procedures. In this sense, ICTs can contribute to make cultural management more efficient, partially relieving its load on state budgets;
- ✓ ICTs are a crucial instrument to promote local culture and use it as a driver of local investments and growth. Local Cultural activity can today act as a strong attractor of talents and capitals but only if it is thoroughly disseminated in the web.

The Azerbaijan government strategies show a high degree of awareness in this respect.

The 2014 Culture concept highlights that:

*Creation, protection and use of cultural values presumes the enhancement of the existing material and technical basis and modernization of the infrastructure. In the globalizing world, social and cultural progress is impossible without **information and communication technologies**. Taking this into account, following tasks have been set to modernize the existing culture infrastructure:*

- *building original high-class facilities for culture institutions;*
- *repairing works for respective culture objects;*
- ***supply of modern equipment and systems for culture objects;***
- ***use of modern IT-technologies for culture objects.***

As well as envisaging:

...modernization of information and advertising activities, proper presentation of culture, including the art of Azerbaijan, in domestic and international media as well as in the Internet...

...digitalization of museum data, creation of a national museum data base relying on the compiled electronic catalogues...

...creation of a data base containing information about the biographies, work and creative activities of artists and art groups acknowledged for their contribution to the development of culture...

...automation of the working processes in libraries, creation of electronic catalogues and libraries, elaboration of the Azerbaijanian National Automated Catalogue Format (AZMARK), creation of a catalogue of national collected editions...

Concrete actions to be taken within 2020, are described in the Azerbaijan 2020: Look into the Future” Development Concept:

*...In order to adopt a state programme on the restoration and protection of immovable historical and cultural monuments and improvement and development of the activities of cultural reserves in 2013-2020, **a single electronic database and register** will be created in this sphere....*

*Taking into account social, economic and cultural development in the republic, a new approach will be taken to the museum business, and in order to ensure the complete protection of items kept in museums, an **electronic database on museum items** and a **centralized information system** of museums will be created in line with international standards...*

In this sense, the following policy recommendations for the next 5 Years are highlighted:

- ✓ Proceed to the drafting of Terms of reference, tendering and implementation of the AZMARK automated catalogue for Libraries.
- ✓ Setting up of principles for cataloguing museum data, drafting ToRs for an open-access database, tendering and implementation of database on museum items.
- ✓ Setting up of a state-sponsored website on Azerbaijani arts and artists. Development and management of the website can be attributed to the ministry or to appropriate Academic Institutions.
- ✓ Proceed to an integrated implementation of actions for digitalization and improved digital access to cultural resources by Azerbaijani citizens and organizations envisaged in the following state programs:

- State Program for rehabilitation, protection of immovable historical and cultural monuments, improving and developing the functionality of historical and cultural preserves for the years 2014-2020

- Action 2.2.3.

Upgrading preservation works of immovable cultural heritage, as well as conducting inventory of immovable cultural heritage and archaeological monuments, designating borders and buffer zones, issuing passports and designing maps, creating data base respond modern requirements, applying multimedia and electronic observation system.

- 2016-2020 State Program for implementation of National Strategy on improvement of information society in the Republic of Azerbaijan

- Action 5.2.3:

establishment of digital rights management system which can issue permission online for utilization of the objects protected by intellectual property rights in “one-stop-shop” format in the global digitalized network.

- Action 5.7.1

Improvement of national content in the global information space extending the information on the Republic of Azerbaijan (AR).

- Action 5.7.2.

Taking actions on expanding and promoting Azerbaijan realities in virtual space

- Action 5.7.3.

Establishment of different electronic information resources for protection of traditions and customs of minorities and local nations.

Promoting Azerbaijani heritage, traditions and customs

It has been highlighted that cultural heritage contributes to innovative jobs, products, services and processes and can be a source of creative ideas. Culture has become an important soft location factor and a key factor for boosting local and regional attractiveness. In this sense a vibrant cultural environment is a critical success factor in the competition for attracting FDI, talented people and creating a functional local economy.

The realization of this objective is conditioned by the implementation of an integrated support to safeguarding and valorising non-tangible heritage and promoting artistic and creative activities in Azerbaijan.

The priorities highlighted by the *2014 Culture concept* appear appropriate to realize this objective.

In regard to intangible heritage:

...- promotion of customs and traditions, preservation of national holidays and ceremonies, restoration of historical symbols and traditional knowledge with the purpose of developing country studies as well as historical and cultural experience of the people of Azerbaijan;
- fostering the development of national music and dance art;
- preservation of national storytelling traditions, revival of national dance and games;
- development of folklore studies with the purpose to revive it, preservation of the national decorating art, revival of painting art;
- use of the available personnel at city (district) culture clubs – using their assistance for the development of subsidiaries for country studies, folklore and crafts as well as the foundation of culture parks utilizing modern technologies, creation of crafts workshops and their integration into the existing touristic routes...

while to support to artistic and creative professionals the following activities are dedicated:

“Historical traditions of the Azerbaijanian people in art activity are based on the creative experience of previous generations and are conceived as a format which impacts the development of the society, reflects the existence of the nation and expresses the essence of the national moral values. Support of professional art activity presumes the development of the theatre, music and painting, decorating and applied arts”

in regard to Theatre:

“-creation of new multi-genre theatre plays of top-quality, a wider use of public contracts for the material supply of theatres, implementation of relevant supply programs;

- support of the creation of new plays in the theatres of Azerbaijan, organization of theatre festivals and contests on the state and international level, steps to enable the participation of Azerbaijanian theatres in these events;

- preservation of unique theatrical centres, support for theatres which were relocated from the occupied territories.”

for Musicians

“implementation of comprehensive measures aimed at the support and reward of music composers’ work to foster the creation of valuable music works;

- organization of various music festivals, contests and concerts as well as steps to enable the participation of Azerbaijanian musicians in music events abroad;

- steps to enable the participation of musicians from various regions of Azerbaijan in relevant domestic and international projects”

for painting and decoration professional:

“support for projects fostering interest for painting, decorating and applied arts;

- organization of symposiums, festivals and contests devoted to painting, decorating and applied arts; measures to enable the participation of experts and artists in projects and contests;

- support and incentives for the activities of young talented artists;

- creation of art collections, preparation of educational programs;

- supply of local galleries with modern artworks, use of modern IT-technologies by local galleries.”

for the Cultural Industry:

Culture industry, as a branch generating culture services and products, is one of the most important areas in the country. Development of the culture industry in accordance with the Law of the Republic of Azerbaijan No. 506-IVQ dated 21st December 2012 «On the Arts» defines the development of infrastructure for the culture industry as one of the state priorities. The culture policy of the Republic of Azerbaijan is aimed at creating a proper balance between culture products and services in the art market.

The culture industry which is contributing to global and national cultural life and is very successful in a number of leading countries creates a background for economic and social advantages, provided that enough attention is paid to it and investors are engaged. Due to this, art branches which have historical traditions and are at the same time future-oriented, in particular – cinema and publishing have good perspectives as separate areas of the state culture policy.

Actual actions envisaged in the 2020 strategy include:

Taking into account the illegal misappropriation and groundless losses of integral parts of non-tangible cultural heritage, additional measures will be carried to maintain creative achievements and innovations generated collectively and handed down from one generation to another

Along with the development of mechanisms of cultural-political support for the nontangible cultural heritage of Azerbaijan, consistent measures will be taken to organize spheres such as the study of regional history, folklore and popular applied arts, and international promotion in this field will be a priority task.

On the basis of the ample strategic framework of envisaged actions, the following recommendation for the next 5 years can be formulated:

- ✓ All actions related to promoting traditions and customs of Azerbaijan, its creative industry and its tangible and intangible heritage, should be seen in an integrated manner: for example, actions in support of musicians should not be considered as distinct and isolated from action in support of the creative industry.

Heritage should be seen as a crucial part of broader long-term development strategy for the country, taking into account that many public policies can have an impact on heritage, and heritage may turn have many impacts in other policy areas.

Accordingly, **an integrated approach toward promotion of Azerbaijani Culture** should be adopted, involving in the planning and implementation of actions in culture not only the Ministry of culture but also many other public and private stakeholders such as the Ministry of Finance, the Ministry of Communication and High technologies, the local executive powers, the municipalities, large companies and trusts, associations of SMEs as well as other stakeholders of the economic and cultural sectors.

In particular, it is advisable to include cultural activities in local economic development plans and maximize the relevance to local environments of cultural operations.

Potential economic impact of cultural investments, especially investments in non-tangible heritage, should be assessed.

- ✓ A particular attention should be paid to **international cooperation in the field of culture**, which should be promoted at two levels:

On one hand, **institutional cooperation** and promotion of Azerbaijani heritage within global institutions should be strengthened and Ministry of Culture and Ministry of Foreign Affairs should work in synergy in this regard promoting Azerbaijani heritage within UNESCO, ISESCO, TÜRKSOY and other international organizations, as well as within the framework of Council of Europe Conventions.

On the other hand, **international connection of private profit actors and NGOs** should be strengthened in order to foster their role as promoters of Azerbaijani attractiveness. Public funding and administrative support, cutting red-tape and providing technical assistance to private actors may prove instrumental in fostering their capacity to autonomously promote international relevance of Azerbaijani arts, for example through concerts, events, shows organized in Azerbaijan and participation to similar event abroad.

It is recommended to implement, as envisaged in the 2020 Strategy, a special programme and action plan to familiarize the countries of the world with the Azerbaijani language, Azerbaijani culture and history.

Such programme should be geared toward citizens and firms rather than toward governments and its planning and implementation should involve Azerbaijani firms, NGOs, artists and other private stakeholders.

- ✓ Attention to tangible heritage, such as monuments and art objects, must be paid as well. The legal framework and the institutional capacities of the Ministry of Culture and other institutional stakeholders must be improved and strengthened, in order to bring Azerbaijani practice in line with European standards.

Cross-cutting issue

A pre-condition for the achievement of all these objectives, is the setting of an appropriate legislative framework. As stressed by Azerbaijani documents, a legislative framework conducive of rule of law, human and civil rights and freedoms represent a crucial factor in cultural promotion.

It is recommended to review the cultural legislative framework of Azerbaijan in order to put it in line with EU standards for cultural activities and in order to make it conducive and enabling of the modernization of the cultural sector.

The Objectives above cannot be achieved without a clear set of rules for actors of culture. Accordingly, within 5 years is highly recommended to review the following laws, for which the present twinning project will provide support and assistance to activities of the government and the *Milli Mejlis*:

- ✓ law “On Culture”;
- ✓ law “On Library”;
- ✓ law "On Museums”;
- ✓ law “On Protection of historical and cultural monuments”;
- ✓ law “On tourism”;
- ✓ law “On Protection of intangible cultural monuments”.

Further to this, it should be assessed and explored the possibility of intervening on the following pieces of legislation, in order to foster participation of private actors to culture sector governance and financing:

- ✓ Civil code
- ✓ Tax code
- ✓ Law on State Procurement
- ✓ Law on copyright and related rights
- ✓ Law on privatization of the state property

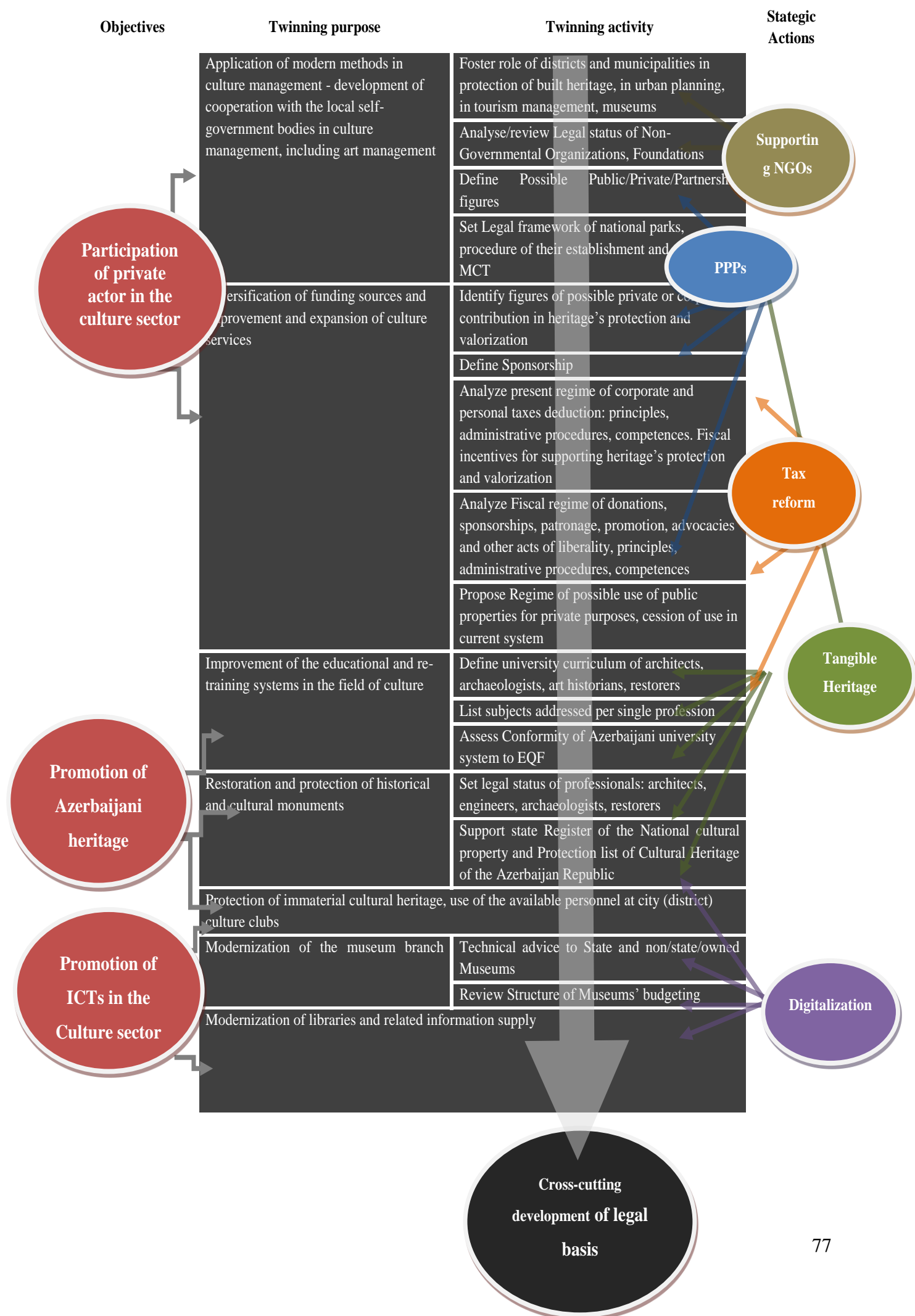
The Present Twinning project, in compliance with Fiche indications will provide direct contribution to the achievement of objectives above and implementation of recommended actions.

It is understood that not all the objectives and actions highlighted above can be pursued within the framework of the present project. This is due to the fact that, in the spirit of

adopting an integrated approach toward cultural affairs, many actions should encompass a wide variety of stakeholders including:

- ✓ Ministry of Culture and Tourism
- ✓ Ministry of Economy
- ✓ Ministry of Education
- ✓ Ministry of Finance and Ministry of Taxes
- ✓ Ministry of Foreign Affairs
- ✓ Ministry of Justice
- ✓ State Committee for City Building and Architecture
- ✓ Local executive powers
- ✓ Municipalities
- ✓ Heydar Aliyev Foundation

In particular, the following actions within the framework of a road-map for a new Culture sector governance can receive concrete contribution from the Project.



LONG-TERM STRATEGY

Main priorities and specific objectives

A long-term strategy for the cultural sector of Azerbaijan is to be concentrated on priorities set at the higher political level of Azerbaijani institutions.

On the other hand, a long term strategy should build and further develop current achievement of the republic of Azerbaijan or its objectives set for the mid-term. Accordingly the long-term strategy should build upon the following objectives expected to be achieved by 2020:

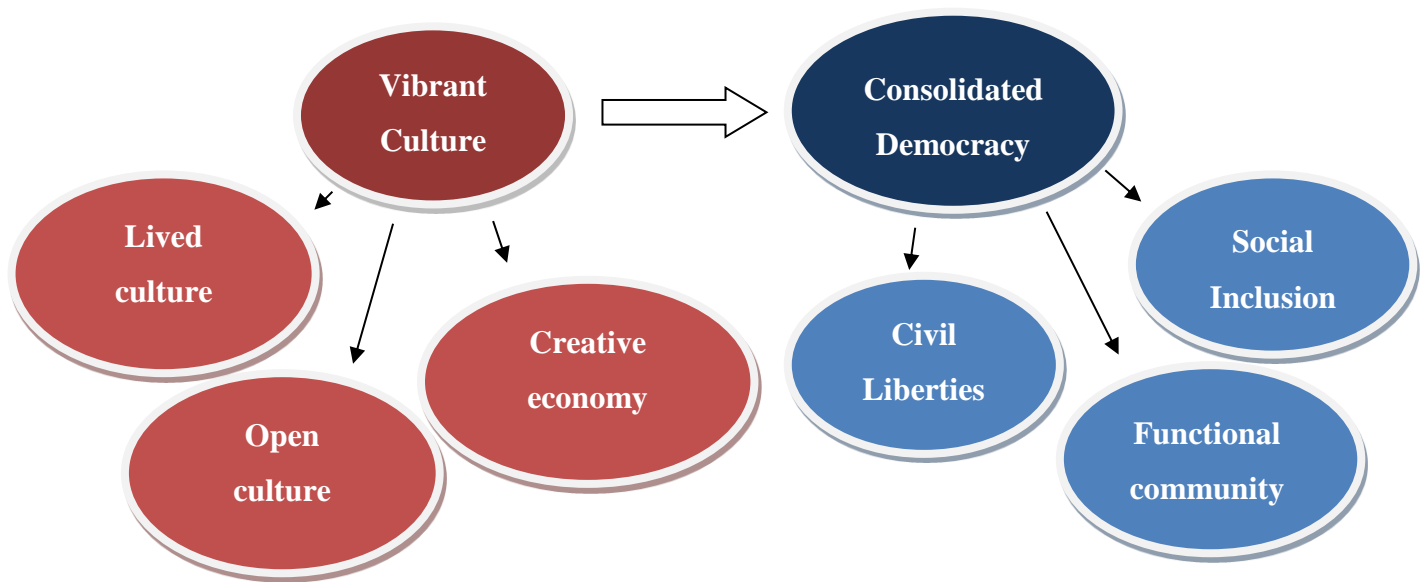
1. Increased participation of private actors in the culture sector;
2. Increased use of ITs in the culture sector;
3. Azerbaijani heritage promoted at a domestic and international stage.

Furthermore, it must be stressed that any long-term objective set for the cultural sector should be completely coherent with the general objectives set for sustainable development of Azerbaijan, in order to ensure that actions envisaged in the field of culture are feasible from a financial point of view and can play a role in supporting the achievement of general objectives.

While for the mid-term, Azerbaijan has set a series of objectives through the *Azerbaijan 2020: Look into the Future*” *Development Concept*, on the long term, national programming is less clearly set.

However, it appears clear that the following are national priorities to which a the cultural sector should contribute to two key issues which represent strategic objectives for Azerbaijan and EU cooperation with Azerbaijan: promotion of sustainable development and promotion of democracy.

The general aim should be to achieve a vibrant cultural life conducive to the development of an inclusive democracy, as recommended by the council of Europe, in accordance to the following scheme:



The general objectives for the long term cultural strategy Azerbaijan should therefore be:

- ✓ Promoting a sustainable development, mainly means **Strengthening the non-oil sector**. Azerbaijan is in the process of developing an economic sector independent from hydrocarbons, in order to ensure sustainable growth in the framework of a low oil-cost area and despite the variability of hydrocarbons' price. As explained above, culture can play a crucial role in local competitiveness in the global market. In this sense, it is recommended that, in the long term, investments in cultural heritage promotion and cultural activities are assessed and valued not just on the basis of immediate costs and results but also taking a look at positive spill-overs for competitiveness of Azerbaijani locations in terms of:
 - Development of creative industries as a source of revenues and jobs;
 - Increased attractiveness of locations for talents/human capital;
 - Increased attractiveness of locations for firms and capitals.

- ✓ Development of **democracy , human right protection and rule of law**. Azerbaijan's commitment to the development of a functional democracy and promotion of human rights has been stressed several times and enshrined in its accession to the Council of Europe. The main objectives of the Council of Europe - strengthening democracy, human rights and the rule of law - are intrinsically tied to governance issues in the domain of culture, in general, and to cultural policies, in particular. Indeed, a 2012 EuroEast report on the cultural policies of Azerbaijan recommends the introduction of new standards and approaches to the cultural sector administration based on democracy and cultural rights
- ✓ It is therefore recommended that cultural policies are assessed on the basis of their impact on the following:
 - **cultural diversity**. How much a certain policy promotes the diversity of opinions and points of views among society;
 - **intercultural dialogue**. How much a certain policy contributes to bridging gaps among various components of the society;
 - **international cultural co-operation and mobility**. How much certain cultural policies promotes the participation and cooperation of Azerbaijani citizens with people across the world and contributes to the promotion of Azerbaijani culture;
 - **cultural access and participation, multi-stakeholder governance; regional cultural policies**. The action of multiple actors and multiple territorial levels positively contributes to the development of a functional democracy.

It should also be noted that a pre-condition for achieving positive impacts on the issues above is the development of the appropriate professionalism among operators of the cultural sector, in order to implement truly effective strategies and internationally recognized best practices

The overall aim of any cultural policy developed within this framework should be to develop:

- ✓ a citizenship educated to the values of democracy, human rights and the rule of law;
- ✓ a culturally engaged third sector, with many active organizations and non-profit organizations;

- ✓ A high degree of Individual cultural participation;
- ✓ Developed Cultural industries;
- ✓ Open access to culture.

Identifying the following specific objectives for the next 15 years:

Specific Objective	Indicators
Build a competitive creative and cultural industry contributing to the expansion of the non-oil sector	<ul style="list-style-type: none"> Increased nominal GDP of the creative and cultural industry Increased contribution of creative and cultural industry to national GDP (%) Number of educational and/or vocational training initiatives aimed at professionalization of the cultural sector
Develop a cultural policy fostering attractiveness of Azerbaijan for capitals and talents	<ul style="list-style-type: none"> Improved ranking of Azerbaijan on international attractiveness indicators (eg: Ambrosetti Global Attractiveness index, Venture Capital & Private Equity Country Attractiveness Index etc...)
Improve the role of cultural policy as an element of community building	<ul style="list-style-type: none"> Number of citizens participating to cultural events and engaged in cultural activities Number of non-profit organizations involved in cultural activities Number of cultural initiatives accessible to special groups Number of educational and/or vocational training initiatives aimed at professionalization of the cultural sector
Promoting the culture of Azerbaijan at a global stage	<ul style="list-style-type: none"> Number of international events focused on Azerbaijani culture, Number of international visitors to Azerbaijani cultural events
Develop an inclusive, participatory and sustainable governance of the cultural sector	<ul style="list-style-type: none"> Number of cultural initiatives promoted by local authorities with a bottom-up approach, Number of Public-Private partnerships in the cultural sector