

Rules for the preparation, implementation, monitoring and evaluation of the State Investment Program of the Republic of Azerbaijan

1. General provisions

1.1. These Rules determine the organizational, legal and economic foundations of the development, implementation, monitoring and evaluation of the State Investment Program in the Republic of Azerbaijan.

1.2. Sections 2 (except for Sections 2.1 – 2.4, 2.14, 2.17 and 2.18), 3 – 5, 7 and 8 of these Rules do not apply to investment projects for defense, security and military purposes.

1.3. The Ministry of Economy of the Republic of Azerbaijan (hereinafter referred to as the Ministry of Economy) shall coordinate the implementation of the measures envisaged in the State Investment Program and supervise their implementation.

1.4. The main concepts used for the purposes of these Rules have the following meanings:

1.4.1. State Investment Program (hereinafter referred to as the Program) – a document that determines the directions, duration, volume of investment expenditures, customer organizations and a list of investment projects by customer organizations for the medium-term period, at the expense of state-based investments (investment expenditures) of the state budget and other sources provided for in these Rules;

1.4.2. investment programs of customer organizations - a set of transitional investment projects, as well as new investment projects included in the list of priority state investment projects after receiving a positive opinion from the Ministry of Economy on the basis of the project concept document;

1.4.3. investment costs – costs intended for increasing the assets of customer organizations (construction, major repairs, restoration, reconstruction, provision with equipment and inventory, creation of software, etc.) in accordance with the Program;

1.4.4. investment project – a description of the work to be carried out within a specified period, aimed at the creation of new assets, the overhaul, restoration, reconstruction of existing assets, as well as the supply of equipment, inventory and machinery, in order to achieve the general goal set;

1.4.5. preliminary opinion – the opinion of the Ministry of Economy on the project concept document prepared for large investment projects;

1.4.6. interim opinion – an opinion of the Ministry of Economy on the preliminary feasibility study document that does not indicate final approval;

1.4.7. final opinion – the opinion of the Ministry of Economy on the compliance of the investment project with the country's socio-economic development concept, strategy and state programs, and the feasibility of its implementation in terms of its economic and social significance;

1.4.8. List of priority state investment projects – a set of investment projects prepared by the customer organization and submitted to the Ministry of Economy and for which the Ministry of Economy has given a positive opinion;

1.4.9. customer organization – state bodies, extra-budgetary state funds, public legal entities established on behalf of the state, legal entities whose controlling stake (shares) belong to the state, and other state enterprises and organizations (administrations);

1.4.10. Investment project executor (contractor) – a legal entity or individual involved by the customer organization through procurement in accordance with regulatory legal acts for the purpose of implementing an investment project within the specified period and within the financial resources;

1.4.11. Monitoring of investment project implementation – checking the implementation of the investment project, inspecting the investment object, collecting and analyzing information on the implementation of the investment project, and checking the compliance of the work with the project budget and implementation schedule;

1.4.12. Evaluation of the results of the investment project – determination of the results and impact of its implementation at least 6 (six) months after the completion of the investment project and the commissioning of the investment facility;

1.4.13. project concept document – a document that reflects information about the indicators of proposed new investment projects;

1.4.14. feasibility study – a document that reflects the assessment of the feasibility of implementing an investment project in technical, economic and financial terms, including SWOT (strengths, weaknesses, opportunities, threats) analysis, risk assessment, legal and environmental aspects;

1.4.15. investor – a citizen of the Republic of Azerbaijan, a legal entity of the Republic of Azerbaijan, as well as foreigners, stateless persons, foreign legal entities and their branches and representative offices, international organizations, carrying out investment activities;

1.4.16. Transitional investment projects – investment proposals implemented within the framework of the Program, but whose implementation spans more than one budget year;

1.4.17. new investment projects – investment proposals prepared by customer organizations in accordance with the requirements of Part 3 of these Rules and submitted to the Ministry of Economy;

1.4.18. implementation of an investment project – the period between the financing of an investment project and its completion (excluding the periods for the preparation of feasibility studies, design and estimate documents and all other preparatory measures) and measures;

1.4.19. implementation plan – a document reflecting the sequential tasks, responsibilities, resources and timelines aimed at the implementation of the project;

1.4.20. Evaluation of investment projects – analysis of the project concept document, preliminary feasibility study and feasibility study documents submitted by the customer organizations;

1.4.21. design and estimate documents – documents determined by urban planning and construction regulatory documents and prepared in connection with the construction (construction, repair, reconstruction, restoration or demolition) of a specific facility, as well as reflecting the financial costs to be spent on construction;

1.4.22. Program rationalization – the process of optimizing the Program as a result of the analysis of investment projects included in the Program in order to ensure the efficient and economical use of public funds.

1.5. Other terms used in these Rules shall have the meanings defined by the normative legal acts of the Republic of Azerbaijan.

2. Program design and implementation

2.1. The draft program is prepared by the Ministry of Economy, taking into account the main directions and priorities of investment policy, as well as the priorities (projects) determined by the President of the Republic of Azerbaijan, based on medium-term socio-economic development concepts, strategies and state programs.

2.2. The Program is formed from investment projects included in the list of priority state investment projects in accordance with these Regulations and from projects included in the Program on the instructions of the President of the Republic of Azerbaijan, including investment projects of defense, security and military purpose.

2.3. The program is financed from the following sources:

2.3.1. state-based investment of the state budget (investment expenses);

2.3.2. co-financing;

2.3.3. grants.

2.4. In addition to the sources provided for in subparagraphs 2.3.1 and (or) 2.3.3 of these Rules, the following funds are attracted for co-financing of projects included in the Program:

2.4.1. borrowed funds raised by the state with a state guarantee;

2.4.2. Debt funds raised by state-owned legal entities without state guarantees;

2.4.3. investment expenses of extra-budgetary state funds;

2.4.4. funds from special-purpose budget funds of the state budget;

2.4.5. funds of legal entities whose controlling stakes (shares) are owned by the state;

2.4.6. funds of public legal entities established on behalf of the state;

2.4.7. extra-budgetary funds of organizations financed from the budget;

2.4.8. Funds provided by private partners and creditors in projects implemented within the framework of public-private partnerships;

2.4.9. Budget of the Nakhchivan Autonomous Republic;

2.4.10. reserve funds of the state budget;

2.4.11. unallocated state budget expenditures;

2.4.12. other sources not prohibited by law.

2.5. For the purpose of compiling the program, the customer organizations, upon the request of the Ministry of Economy, submit to the Ministry of Economy transitional investment projects and new investment projects whose project concept document has been positively assessed and included in the list of priority state investment projects, as well as the initial draft of investment programs for the medium-term period in accordance with the requirements established by paragraph 2.7 of these Rules (legal entities whose controlling share (stocks) are owned by the state and have a Supervisory Board, together with the relevant decision of the Supervisory Board).

2.6. Investment programs of client organizations are compiled taking into account the strategic plans for sectors of the areas determined by the President of the Republic of Azerbaijan.

2.7. Client organizations submit the following documents and information to the Ministry of Economy for the inclusion of investment projects proposed in the investment programs in the Program:

2.7.1. cash flow forecast for investment projects for the next budget year and subsequent years until the project is completed;

2.7.2. copies of contracts concluded on transitional investment projects;

2.7.3. project-estimate documents of new investment projects proposed to be launched in the following year, which have undergone state expertise and been approved;

2.7.4. Feasibility studies for new investment projects proposed to be launched within the next three years, as well as project and estimate documents that have been subject to state expertise and approved;

2.7.5. information on the sources of financing of each investment project (with a precise indication of the sources provided for in paragraphs 2.3 and 2.4 of these Rules);

2.7.6. Other information on the investment project, depending on the characteristics of the investment project, upon request of the Ministry of Economy.

2.8. If the documents and information provided for in paragraph 2.7 of these Rules regarding investment projects are not submitted, those investment projects shall not be included in the Program.

2.9. The Ministry of Economy shall send a request to the Ministry of Finance of the Republic of Azerbaijan (hereinafter referred to as the Ministry of Finance) by March 1 of the current year, based on the investment proposals of the customer organizations, regarding the amount of funds required for state investment expenditures in the state budget for each medium-term period.

2.10. The Ministry of Finance shall submit the initial medium-term indicators of public investment expenditures in the state budget for each medium-term period to the Ministry of Economy by March 31 of the current year, and the revised amount by July 20.

2.11. In accordance with the amount of investment expenses submitted by the Ministry of Finance, the Ministry of Economy shall submit the initial draft of the Program for the medium-term period on the basis of transitional and new investment projects, as well as investment programs of customer organizations, to the Economic Council of the Republic of Azerbaijan by April 5 of the current year, to the Cabinet of Ministers of the Republic of Azerbaijan (hereinafter referred to as the Cabinet of Ministers) by April 15, to the Ministry of Finance by August 1 in order to bring the revised draft in the relevant areas into line with the

state budget, and to the Chamber of Accounts of the Republic of Azerbaijan (hereinafter referred to as the Chamber of Accounts) by September 15 in order to prepare an opinion on the draft state budget for the next year.

2.12. The customer organizations shall submit to the Ministry of Economy by December 1 of the current year a draft of the specified investment program for the next year based on the investment projects for which the Ministry of Economy has given a positive final opinion in accordance with these Rules, including a draft of the investment programs (investment projects) of the state institutions managed by the Azerbaijan Investment Holding and the Azerbaijan Transport and Communication Holding, which are envisaged to be financed by state-funded investments (investment costs) in the decisions of the supervisory boards of those holdings for the next year (together with the decision). Proposals submitted after this date shall not be considered.

2.13. The Ministry of Economy and the Ministry of Finance are reviewing the implementation status of projects included in the state investment program and financed from capital investment expenditures of the state budget by December 25 of the current year.

2.14. The Ministry of Economy shall, by December 25 of each year, prepare a draft of the allocation of funds for state-funded investments (investment expenses) in the state budget of the following year, including projects included in the Program, including defense, security and military investment projects, taking into account the implementation status of transitional investment projects included in the Program and the results of the assessment of new investment projects, and submit it to the President of the Republic of Azerbaijan by January 10 of each year for approval.

2.15. After the allocation of funds intended for state-funded investments (investment expenses) in the state budget is approved, the customer organizations shall, within 10 (ten) days, approve and submit to the Ministry of Economy the implementation plan for investment projects for the budget year, taking into account the sources specified in paragraphs 2.3 and 2.4 of these Rules, in accordance with the form established by the Ministry of Economy.

2.16. The implementation of investment projects included in the program is ensured through the funds allocated annually from the sources of financing specified in paragraphs 2.3 and 2.4 of these Rules and in accordance with the implementation plan approved annually by the customer organizations.

2.17. After the allocation of funds intended for state-funded investments (investment expenses) in the state budget is approved, the Ministry of Finance ensures the allocation of

funds intended for investment projects specified in that allocation and submits monthly information on the financing of investment projects to the Ministry of Economy by the 5th of the following month.

2.18. If additional funds are envisaged for state-based investment (investment expenses) due to amendments to the state budget for the current year, a corresponding amendment is made to the approved distribution for the current year and the distribution by direction is submitted to the Chamber of Accounts by the Ministry of Economy within 10 (ten) working days.

3. Design and evaluation of investment projects

3.1. Proposals for investment projects are prepared by the customer organizations based on the principles of efficiency and effectiveness in accordance with the country's general socio-economic development concepts, strategies and state programs, as well as the priorities (projects) determined by the President of the Republic of Azerbaijan and strategic plans for sectors.

3.2. Investment projects are classified according to their value as follows:

3.2.1. small investment projects – investment projects worth up to 30.0 million manats;

3.2.2. medium investment projects – investment projects worth from 30.0 million manat to 50.0 million manat;

3.2.3. large investment projects – investment projects worth more than 50.0 million manats.

3.3. The Ministry of Economy shall conduct the evaluation of investment projects at the stages of project concept, preliminary feasibility study and preparation of feasibility study documents.

3.4. Customer organizations shall submit a project concept document to the Ministry of Economy for each new investment project by July 1 of the current year in accordance with the form established by the Ministry of Economy.

3.5. The project concept document shall include the following information:

3.5.1. name of the ordering organization;

3.5.2. name of the investment project;

3.5.3. location where the investment project will be implemented;

- 3.5.4. purpose and justification of the investment project (need for the project, specific problem to be solved and expected results);
- 3.5.5. compliance of the investment project with the country's general socio-economic development concepts, strategies and state programs, as well as with the priorities (projects) and strategic plans for sectors determined by the President of the Republic of Azerbaijan;
- 3.5.6. Alternative options for achieving the project objective;
- 3.5.7. structure of the investment project and the number of employees projected to be involved in the project implementation;
- 3.5.8. implementation period of the investment project;
- 3.5.9. the estimated cost of the investment project and its preliminary calculations (including the estimated cost of preparing design and estimate documents for small and medium investment projects, feasibility studies for large investment projects, preliminary feasibility studies and feasibility studies for large investment projects with a cost exceeding 3 times the amount specified in subparagraph 3.2.3 of these Rules, relevant agreements provided for by law, and land acquisition for state needs);
- 3.5.10. Analysis of the sustainability of the investment project (ownership of assets (balance sheet owner), operational and maintenance responsibility, operational and maintenance costs);
- 3.5.11. expected results if the investment project is not implemented;
- 3.5.12. information on whether a social impact assessment will be required (including social impacts, if available, for small and medium investment projects);
- 3.5.13. the impact of the implementation of the investment project on the environment, including climate change and the reduction of carbon dioxide emissions into the atmosphere;
- 3.5.14. source of financing of the investment project (with precise indication of the sources provided for in paragraphs 2.3 and 2.4 of these Rules);
- 3.5.15. justification of the necessity of the investment project if it is financed solely from the state budget;
- 3.5.16. procurement and implementation plan for the implementation of the investment project;

3.5.17. information about potential investors and financing terms, if external financing is envisaged.

3.6. Investment proposals not submitted in accordance with the project concept document provided for in paragraph 3.4 of these Rules shall not be considered.

3.7. The project concept document submitted by the client organization is evaluated by the Ministry of Economy within 60 (sixty) working days and as a result of the evaluation, the client organization is provided with a final opinion on small and medium investment projects and a preliminary opinion on large investment projects. The evaluation is carried out on the basis of the information specified in paragraph 3.5 of these Rules.

3.8. Investment projects that have received a positive opinion are included in the list of priority state investment projects.

3.9. For investment projects that have received a positive opinion based on the project concept document, the customer organization ensures the preparation of the following documents, depending on the classification of the investment projects (except for investment projects involving the supply of equipment, inventory and machinery and mechanisms):

3.9.1. design and estimate documents for small and medium investment projects;

3.9.2. preliminary feasibility studies and their evaluation for large investment projects with a value exceeding 3 times the amount specified in subparagraph 3.2.3 of these Rules;

3.9.3. Feasibility studies and their evaluation for large investment projects with a value up to 3 times the amount specified in subparagraph 3.2.3 of these Rules.

3.10. If the approved cost of small and medium investment projects in the design and estimate documents exceeds the amount specified in subparagraph 3.2.3 of these Rules, the Ministry of Economy shall require the customer organizations to prepare feasibility studies for those investment projects.

3.11. For large investment projects with a value exceeding 3 times the amount specified in subparagraph 3.2.3 of these Rules, initial feasibility studies are prepared by the customer organizations, and after the Ministry of Economy issues a positive interim opinion on them, the customer organization prepares feasibility studies.

3.12. The preliminary feasibility study document must include the following information:

3.12.1. general information on the investment project (name of the project, purpose, area of implementation and implementation period) and analysis of project needs;

3.12.2. analysis of alternative options;

3.12.3. preliminary calculation of the costs and profits to be achieved for the investment project for each option;

3.12.4. main risks for each option;

3.12.5. preliminary assessment of the environmental impact for each option;

3.12.6. Preliminary assessment of social impact for each option.

3.13. The following information must be reflected in the feasibility study document:

3.13.1. analysis of the current situation in the area to which the investment project relates, results of research conducted on existing and forecasted demand, domestic and, if required, foreign markets;

3.13.2. analysis of alternative options (or confirmation of the option selected in the preliminary feasibility study);

3.13.3. relevant technical justification, detailed information on "know-how" if acquired, copies of concluded protocols of intent;

3.13.4. detailed calculations of required capital expenditures, including the allocation of financial sources (if the investment project is intended to be financed from the sources specified in subparagraph 2.4.8 of these Rules, relevant documents confirming this);

3.13.5. cash flow (calculations) for the investment project;

3.13.6. where possible, a quantitative description of the benefits (including the number of beneficiaries affected by the project and the distribution of benefits);

3.13.7. analysis of income and expenses (economic and financial analysis, including net present value, internal rate of return, project payback period);

3.13.8. sustainability of the investment project (fiscal issues, asset ownership, operational and maintenance responsibility, operational and maintenance costs);

3.13.9. assessment of the environmental impact, including climate change, including the impact of the investment project on the climate and the impact of climate change on the investment project;

3.13.10. social impact assessment;

3.13.11. detailed risk analysis;

3.13.12. SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis.

3.14. The costs of preliminary feasibility study, feasibility study and preparation of design and estimate documents and state expertise for investment projects are financed from the sources specified in paragraphs 2.3 and 2.4 of these Rules.

3.15. In the allocation of state-based funds (investment expenses) of each year's state budget, additional funds of up to 3 percent of these expenses are envisaged for the preparation of feasibility studies and project estimate documents, as well as for the involvement of independent experts, and its allocation is approved by the President of the Republic of Azerbaijan based on the proposal of the Ministry of Economy.

3.16. The final opinion on large investment projects is given on the basis of feasibility studies. The customer organizations fill out the form approved by the Ministry of Economy and submit it to the Ministry of Economy together with the relevant documents (opinions and recommendations given by the relevant institutions, and, if an independent assessment is conducted by the customer organization, its results) . In accordance with the submitted form, the Ministry of Economy evaluates the preliminary feasibility studies prepared for large investment projects with a value exceeding 3 times the amount specified in subparagraph 3.2.3 of these Rules and gives a positive interim opinion, after which the customer organization prepares feasibility studies for those investment projects.

3.17. The Ministry of Economy evaluates investment projects based on project concept documents, preliminary feasibility studies, feasibility studies (forms specified in paragraphs 3.4 and 3.16 of these Rules and other project documents) submitted by the customer organizations.

3.18. The Ministry of Economy may engage independent experts to assess large investment projects.

3.19. The feasibility of investment project proposals is determined by the Ministry of Economy based on the results of the assessments provided for in paragraphs 3.16 and 3.17 of these Rules.

3.20. Investment projects are removed from the list of priority state investment projects in the following cases:

3.20.1. If a negative opinion is given by the Ministry of Economy at any stage of the investment project assessment provided for in paragraph 3.3 of these Rules and it is impossible to eliminate the consequences of that negative opinion;

3.20.2. upon completion of the investment project;

3.20.3. when the investment project is financed by another financial source;

3.20.4. based on a substantiated proposal from the ordering organization;

3.20.5. if a decision is made to discontinue the implementation of the investment project in accordance with the results of the monitoring conducted in accordance with Part 7 of these Rules;

3.20.6. as a result of the rationalization procedure in accordance with Part 8 of these Rules.

3.21. If funds are not allocated for financing investment projects on the list of priority state investment projects, the investment project is kept on the list of priority state investment projects and the issue of allocation of funds is considered during the next allocation processes.

4. Determining the rating and prioritization of investment projects

4.1. In accordance with paragraphs 3.9 and 3.16 of these Rules, a rating and prioritization procedure shall be applied for investment projects that have received a positive final opinion.

4.2. The rating of investment projects shall be determined based on the criteria specified in paragraph 4.4 of these Rules and their relative weight.

4.3. Determining the rating of investment projects and prioritizing them based on this is carried out by the Ministry of Economy, taking into account the main directions and priorities of the country's investment policy.

4.4. The rating of investment projects is determined based on the following criteria:

4.4.1. the importance of investment projects and their compliance with the country's sustainable social development goals, directions and priorities determined by strategic documents, as well as the priorities set by the President of the Republic of Azerbaijan;

4.4.2. expected social and economic impact from the implementation of investment projects;

4.4.3. number and type of new jobs created;

4.4.4. distribution of benefits;

4.4.5. priorities set by the ordering organization;

4.4.6. the impact of the investment project on the country's balance of payments;

4.4.7. Attracting additional funding sources by the customer organization.

4.5. Investment projects are prioritized based on the ratings determined in accordance with paragraph 4.4 of these Rules. In this case, the investment project with the highest rating is considered the highest priority investment project.

5. Final control procedure before execution

5.1. After the procedure of determining the rating of investment projects and, as a result, prioritizing them in order to include them in the allocation project for state-funded investments (investment expenses) in the state budget of the next year, a final control procedure is carried out by the Ministry of Economy to determine the full readiness of investment projects for implementation.

5.2. The final control procedure is carried out on the basis of information reflected in the form approved by the Ministry of Economy (including information on the investment project, in addition to information provided for in these Rules, as well as information on all factors that may cause delays or excess costs in the implementation of the investment project).

5.3. Client organizations shall fill out the form provided for in paragraph 5.2 of these Rules for investment projects and submit it to the Ministry of Economy. Based on the information submitted on the form, the Ministry of Economy shall carry out the final pre-implementation control procedure within 10 (ten) working days.

5.4. Investment projects that have passed the final control procedure are included in the project for the allocation of funds intended for state-funded investments (investment costs).

5.5. Investment projects that do not pass the final control procedure specified in paragraph 5.3 of these Rules shall be replaced by other investment projects that receive a higher rating in the prioritization and rating determination procedure.

5.6. An investment project is considered not to have passed the final control procedure in the following cases:

5.6.1. in the absence of a construction permit;

5.6.2. in the absence of documents confirming the acquisition of land for state needs;

5.6.3. in the absence of a procurement plan;

5.6.4. in the absence of documents on connection to utility services;

5.6.5. when access to the area is limited or impossible;

5.6.6. if the relevance of the project is not justified.

6. Implementation of investment projects

6.1. The implementation of investment projects is organized by the customer organizations, taking into account the provisions of paragraph 2.16 of these Rules.

6.2. The customer organization concludes a contract with the executor (contractor) of the investment project selected through procurement in accordance with regulatory legal acts for the purpose of implementing the investment project. The warranty period in connection with the implementation of the investment project is regulated by Article 105 of the Urban Planning and Construction Code of the Republic of Azerbaijan. Disputes regarding the warranty period are resolved in accordance with civil legislation, taking into account the requirements of this paragraph.

6.3. It is not allowed to purchase goods, perform works or provide services in excess of the approved cost for the current year for each project.

6.4. Without justified reasons, it is not allowed to implement small investment projects for more than 4 (four) years, and medium investment projects for more than 5 (five) years. In this regard, the appropriate allocation of funds from the state budget's state-based investment (investment costs) is ensured, and priority is given to transitional investment projects during the distribution of funds.

7. Monitoring and evaluation of the implementation of investment projects included in the program

7.1. Monitoring of the implementation of investment projects included in the program is carried out by the Ministry of Economy in the form of monitoring of reports on the implementation of investment projects and on-site monitoring of investment projects.

7.2. Monitoring of the implementation of investment projects included in the program and evaluation of their results are carried out based on the procedure approved by the Cabinet of Ministers.

7.3. The rule provided for in paragraph 7.2 of these Rules determines the procedures for reporting and monitoring investment projects.

7.4. The objectives of monitoring the implementation of investment projects are as follows:

7.4.1. achieving full and timely implementation of investment projects in accordance with their implementation plans;

7.4.2. risk management during the implementation of investment projects;

7.4.3. achieving flexibility in the implementation of investment projects;

7.4.4. ensuring accountability for the implementation of investment projects;

7.4.5. providing relevant state bodies (institutions) with necessary information regarding investment projects;

7.4.6. Filing a petition with the relevant state bodies (institutions) to take measures regarding the identified deficiencies.

7.5. Control over the implementation of investment projects included in the program is carried out by the customer organizations. Customer organizations submit a periodic report on the implementation of investment projects to the Cabinet of Ministers, the Ministry of Economy, the Ministry of Finance and the Chamber of Accounts for each quarter, by the 10th of the first month of the following quarter, in accordance with the rules specified in paragraph 7.2 of these Rules.

7.6. The customer organizations shall examine the compliance of the work actually performed in connection with the implementation of investment projects with the implementation plan approved in accordance with paragraph 2.16 of these Rules and include it in the periodic report on the implementation of investment projects.

7.7. On-site monitoring of investment projects is carried out based on a drawn up annual plan.

7.8. When on-site monitoring of an investment project is conducted, a written notification shall be sent to the client organization at least 10 (ten) days prior to the commencement of the monitoring. The notification shall indicate the basis, subject and date of the monitoring.

7.9. On-site monitoring of investment projects may be conducted unscheduled in the following cases:

7.9.1. if the contracting authority fails to submit the periodic report specified in paragraph 7.5 of these Rules and the final report specified in paragraph 7.14 of these Rules;

7.9.2. in case of deviations from the implementation plan;

7.9.3. when it is required to verify the elimination of deficiencies detected during the last on-site monitoring conducted according to the plan by the ordering organization;

7.9.4. When the customer organization, which does not agree with the results of monitoring of reports on the implementation of investment projects and the monitoring conducted according to the plan, requests in writing to conduct monitoring outside the plan;

7.9.5. when negative information about the implementation of the investment project is disseminated in the media;

7.9.6. when on-site verification of issues is required during the investigation of complaints received from citizens or other organizations regarding the implementation of an investment project.

7.10. A certificate on the results of on-site monitoring of the investment project is drawn up in 2 (two) copies and formalized by signing by the monitoring participants. One copy of the certificate and the documents attached to it is submitted to the ordering organization, and the other copy remains with the Ministry of Economy.

7.11. Notes on the results of on-site monitoring of the investment project are reflected in the quarterly and annual reports on the implementation status of investment projects prepared by the Ministry of Economy.

7.12. Representatives of relevant state bodies and independent experts and specialists may be involved in on-site monitoring of investment projects on a contractual basis.

7.13. The Ministry of Economy shall prepare a summary report on the results of monitoring the implementation of investment projects included in the Program during the year and submit it to the Cabinet of Ministers and the Chamber of Accounts by March 1 of the following year.

7.14. Within 30 (thirty) days after the completion of the investment project, the customer organizations shall inform the Ministry of Economy in writing and submit the final report to the Cabinet of Ministers, the Ministry of Economy, the Ministry of Finance and the Chamber of Accounts in accordance with the rules stipulated in paragraph 7.2 of these Rules.

7.15. After the implementation of priority medium and large investment projects is completed and they enter the exploitation phase, a final evaluation report of the results of the investment projects is prepared by the Ministry of Economy by engaging an independent external evaluator to determine whether the planned goals of the investment projects have been achieved, and this report is taken into account during the preparation and evaluation of the next investment projects.

8. Program rationalization cases

8.1. If, based on the financing indicators of the last 5 (five) years of the Program, the implementation of the total cost of the Program with an average financing rate requires more than 8 (eight) years, the Ministry of Economy shall carry out the rationalization of the Program.

8.2. If the Ministry of Economy determines the case specified in paragraph 8.1 of these Rules, the Ministry of Economy shall establish a working group to implement the rationalization of the Program.

8.3. The working group shall conduct rationalization of investment projects based on the following:

8.3.1. if the investment project is not implemented within the period specified in paragraph 6.4 of these Rules;

8.3.2. if the funds required to complete the implementation of the investment project exceed 20 percent of the funds specified in the estimate documents.

8.4. The working group proposes the following regarding the rationalization of the program:

8.4.1. suspension of the implementation of the investment project;

8.4.2. continuation of the implementation of the investment project within the framework of the Program;

8.4.3. consideration of the implementation of the investment project within the framework of public-private partnership;

8.4.4. privatization of an investment project (object).

8.5. After the completion of the activities of the working group related to rationalization, its results and proposals shall be submitted by the Ministry of Economy to the President of the Republic of Azerbaijan within 30 (thirty) working days.