



STATEMENT

by the EITI Coalition of civil society institutions on the formation of Multi Stakeholder Group in Azerbaijan

On February 16, 2009 Azerbaijan was given EITI-compliant status at the 7th EITI Board Meeting, Doha. Before getting this status among 26 candidate countries, Validation process has been held on implementation of EITI in Azerbaijan by Validator Group-Coffee International Company. For this purpose the group held meetings with parties to Understanding Memorandum in implementation of EITI (extractive industry companies, Government Commission on EITI and Public Unions' Coalition for Improving Transparency in Extractive Industry), also heard opinions and recommendations of parties. Getting a full-righted membership of the Initiative was possible for Azerbaijan due to 4 significant recommendations forwarded by the Validator. Those 4 recommendations are based on existing problems in the country related to implementation of EITI and suggestions of EITI Coalition. These are: Formation of Multi Stakeholder Group; Composition of Work Plan; Improved company reporting; and Release of EITI reports. Execution of these recommendations of the Validator has been charged to Azerbaijani Government by International EITI Board as obligation of formation multi stakeholder group till 15 August 2009. There was decided to review state of implementation of all obligations at the meeting of EITI Board scheduled in Baku on 14-15 October 2009.

However, we regret that in spite of discussions on formation of Multi Stakeholder Group have been launched with participation of parties to Understanding Memorandum, but Formation of the group was not completed till the considered time (15 August 2009). Also there was not any considerable activity in direction of implementation of other obligations within past 6 months. Thus, the Government displayed its approach as of formally implementation of obligations on minimum level in EITI implementation process in Azerbaijan. Of course all of these are troubling one party to Understanding Memorandum EITI Coalition. And this generates suspicions on successes got by Azerbaijan in EITI implementation sphere.

Coalition for Improving Transparency in Extractive Industry calls the opposite sides, Government Commission on EITI and extractive industry companies to implement all obligations assumed at 7th meeting of International EITI Board and completion of formation of multi stakeholder group within a short time.

21 August 2009, Baku