



EITI Progress Report

Azerbaijan

2015

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Abbreviations

CSO	Civil Society Organizations
CSSN	Council of State Support to Non-Governmental Organizations under the Auspices of the President of the Republic of Azerbaijan
EITI	Extractive Industries Transparency Initiative
IA	Independent Administrator
ITEI	Improving Transparency in Extractive Industry
MOU	Memorandum of Understanding
MSG	Multi-stakeholder Group
NGO	Non-governmental organizations
NGO Coalition	Coalition of Azerbaijan Non-government Organizations for “Improving Transparency in Extractive Industries”
PSA	Production Sharing Agreement
SOCAR	State Oil Company of Azerbaijan Republic
SOE	State-owned Enterprise
SOFAZ	State Oil Fund of the Republic of Azerbaijan
TOR	Terms of Reference

Timeline of activities

- Over the year In 2015 7 Multi-stakeholder Group's (MSG) meetings on implementation of the Extractive Industries Transparency Initiative (EITI) were held. Extracts from the MSG minutes are published at www.eiti.az.
- January 1, 2015 The Validation under the new EITI Standard in Azerbaijan was commenced and as a result, Azerbaijan's EITI status was downgraded from the "Compliant" to the "Candidate" by EITI Board on April 14-15 at the EITI Board meeting held in Brazzaville, Congo. Information on executive status of corrective actions set by the EITI Board can be found in Annex 3.
- April, 2015 The Coalition of Azerbaijan Non-government Organizations for "Improving Transparency in Extractive Industries" (NGO Coalition) held roundtables in regions with the support of the World Bank and State Oil Fund of the Republic of Azerbaijan (SOFAZ) in Shirvan, Neftchala and Gadabay. The events were held in order to inform and increase awareness of citizens, representatives of civil society, local authorities and communities (Work Plan 2015, action steps 6.6, 6.7).¹



¹ Brackets indicate corresponding action steps in Work Plan 2015

- May 5, 2015 The meeting of the MSG on implementation of EITI in Azerbaijan with the participation of the executive director of the Natural Resource Governance Institute Daniel Kaufmann was held at SOFAZ.
- June 30, 2015 2014 EITI Annual Activity Report was published (Work Plan 2015, action step 4.17)
- July 16, 2015 2013 EITI Report was approved by the MSG and disclosed. The report was prepared under the new EITI Standard's requirements (Work Plan 2015, action step 1.4).
- July 30, 2015 The training on improvement of professionalism in filling of EITI reports and increasing of EITI report quality for the members of the MoU- local and foreign companies operating in mining field was held at SOFAZ. Members of NGO Coalition also participated at the training (Work Plan 2015, action step 3.2).
- September 18, 2015 In the framework of "public support for improving transparency in extractive industries" project financially supported by the Council of State Support to Non-Governmental Organizations under the Auspices of the President of the Republic of Azerbaijan (CSSN) the NGO Coalition held the workshop on "The compliance of the EITI Report 2013 of Azerbaijan with EITI Standard's requirements" at SOFAZ. The workshop was organized in order to raise NGO Coalition members' awareness about EITI implementation in Azerbaijan (Work Plan 2015, action step 6.6).
- September 22, 2015 The NGO Coalition Council held a meeting with the participation of Dyveke Rogan (the representative of the EITI International Secretariat) and the representatives of NGO Coalition. During the meeting the progress on situation of civil society in Azerbaijan was discussed.



September
23, 2015

The workshop on “Validation – corrective actions and action steps for the compliant status” with the participation of the representative of EITI International Secretariat Dyveke Rogan and MSG members was held at SOFAZ Tower. The aim of the workshop was to broadly discuss actions steps which should be undertaken for restoration of the EITI Compliant status of Azerbaijan.

September
29-30, 2015

In the framework of “public support for improving transparency in extractive industries” project financially supported by the CSSN the EITI NGO Coalition held public debates on “The EITI aim, implementation and the use of outcomes” in Siyazan and Salyan (Work Plan 2015, action step 6.7).

September
29, 2015

Head of the Azerbaijan EITI Secretariat Farid Farzaliyev participated as a speaker at the “7th International Conference on improvement of the EITI in Kazakhstan” in Astana, Kazakhstan (Work Plan 2015, action step 6.4).

October 8,
2015

The President of the Republic of Azerbaijan received the Chair of the International Board of the EITI Clare Short. At the meeting were exchanged views on prospects of Azerbaijan`s participation in EITI.

The Chair also had meeting with the members of EITI NGO Coalition. At the meeting was discussed the status of the Civil Society and current situation in the EITI of Azerbaijan.

October 8,
2015

The meeting of the MSG on implementation of EITI in Azerbaijan with the participation of the chair of the International Board of the EITI Clare Short was held at SOFAZ

October
13-15, 2015

Head of the Azerbaijan EITI Secretariat Farid Farzaliyev and two members of the MSG Azerbaijan were participated at regional workshop for the National Coordinators and MSG members in Istanbul, Turkey (Work Plan 2015, action step 6.4).

October 20,
2015

In the framework of “public support for improving transparency in extractive industries” project financially supported by the CSSN the EITI NGO Coalition held the workshop on “The EITI aim, implementation and use of outcomes” at the Azerbaijan State University of Economics. The workshop aimed to raise awareness of youth on EITI process (Work Plan 2015, action step 6.6).



October
21-22, 2015

The 30th EITI Board meeting was held in Berne, Switzerland. Delegation headed by the Chairman of the National EITI Commission, a member of the EITI International Board and the Executive Director of the SOFAZ Shahmar Movsumov participated at the meeting. Appropriate discussions were conducted and decisions were made at the meeting (Work Plan 2015, action step 6.4).

October-No-
vember, 2015

NGO Coalition held series of on-line TV debates on different topics such as “2013 EITI Report: achievements and challenges”, “EITI and Azerbaijan”, “Role of civil society in EITI implementation” and “State Oil Fund”.² TV Programs on EITI were broadcasted in regional TV channels of Sumgayit, Ganja and Guba.

November 12,
2015

Newly established company in Azerbaijan SGC Upstream signed the Instrument of Accession to MOU. By signing the Instrument of Accession to MOU SGC Upstream was submitted the 19th EITI report (2014 EITI report) on payments to the government of Azerbaijan. Thereby, 39 extractive sector companies joined Memorandum of Understanding on implementation of the EITI in Azerbaijan.



² <https://www.youtube.com/watch?v=f9llm4JFMuY>
<https://www.youtube.com/watch?v=26YxplXJbqo>
<https://www.youtube.com/watch?v=nwoFJnO2RY>
<https://www.youtube.com/watch?v=IFF-MiHW1w>

- November 23, 2015 The roundtable of the presentation EITI NGO Coalition's opinion on the 2013 EITI Report was held by the EITI NGO Coalition with the support of the CSSN. The event was held for the representatives of governmental organizations, international organizations, embassies, civil society institutions and mass media (Work Plan 2015, action steps 4.13 and 6.1).
- November, 2015 The regional conference dedicated to the first national report of Tajikistan on its EITI implementation and the development of the regional cooperation was held in Dushanbe, Tajikistan. The representatives of Azerbaijan EITI Secretariat participated in that conference and shared Azerbaijan's EITI experience (Work Plan 2015, action step 6.4).
- December 9-10, 2015 The 31st EITI Board meeting was held in Kiev, Ukraine. Delegation headed by the Chairman of the EITI Commission, a member of the EITI International Board and the Executive Director of the SOFAZ Shahmar Movsumov participated at the meeting. (Work Plan 2015, action step 6.4).

Assessment of performance against targets and activities set out in the WORK PLAN 2015

Objectives/Targets	Progress
<p>1. EITI Reporting Informing the public about revenues from extractive industries, enhancing the content and increasing the volume of EITI reports, increasing benefits and easing the use of the EITI data</p>	<p>EITI Report 2013 The EITI Report 2013 was the first report prepared under the EITI Standard 2013. Thus, it reflected huge amount of new information required under the Standard. Information on share of extractive industries in the different indicators of the economy, state participation in extractives, and broad information on PSAs was disclosed to public in 2013 EITI Report. One more remarkable feature of the report was a transition to disaggregated reporting which gave a chance to public to obtain company-by-company data through EITI reports. The 2013 EITI Report of Azerbaijan was the first report validated under the new Standard. By the time of Validation the report was a draft and was improved by the Working Group and Independent Administrator according to recommendations of the Validator and International Secretariat after Validation. Final report was approved by the MSG and disclosed in July 2015. The NGO Coalition gave quite comprehensive opinion on 2013 EITI Report. The Opinion was presented in the roundtable held by the EITI NGO Coalition with the support of CSSN.</p> <p>EITI Report 2014</p>

The 2014 EITI Report was prepared on the basis of lessons learnt from 2013 Report as well as taking into account recommendations of the Validator and NGO Coalition in close cooperation with the EITI International Secretariat. Some important chunks of information required by the Standard such as, license register and allocation, relations between SOEs and the government as well as between SOEs and their joint venture, sale of the state's share of production were included into the report. Some additional information on employment in the extractive sectors, value of the commodities by region, foreign purchasers of the profit oil, and scheme of the state budget was reflected in the report in accordance with the Coalition's Opinions.

Another novelty with 2015 EITI reporting was preparation of summary reports. Works on EITI Summary Report has started in the end of 2015 and finalized in 2016.

Both reports were actively disseminated among population by mainly on-line sources (web-sites of the Azerbaijan EITI, State Oil Fund and NGO Coalition). Hard copies of the reports were distributed among civil society members and local communities through NGOs. The reports of the government for 2013 and 2014 were published in the state newspapers.

Uncompleted action steps:

First group of uncompleted action steps are related to printing of 2013 EITI Report in professionally designed version. (1.11-1.12) Plan. This delay was observed due to long-lasting review and improvement process of the report after Validator's comments. These steps were included to the 2016 EITI Work

Second group of uncompleted action steps are related to approval of the 2014 EITI Report and other following steps (4.9-4.13, 4.18-5.1). This delay

	<p>is originated from delays in the production of 2013 EITI Report. All substantial works are completed in 2015 and the report was approved in the very beginning of 2016. The rest of the activity steps were included to 2016 EITI Work Plan.</p>
<p>2. Validation. Preserving the compliant membership status of Azerbaijan</p>	<p>Validation officially started in January 1 in Azerbaijan. In February 13 MSG gathered together to discuss initial findings of the Validation with the Validators. By February 27 Validator collected all comments from EITI stakeholders and in March 6 submitted the final Validation report to the MSG and Board. According to the assessment of the Validators Board downgraded Azerbaijan’s EITI status and set corrective actions to be implemented till the next Validation.</p> <p>The MSG prepared Activity plan for the implementation of the corrective actions right after the Board decision. Workshop on “Validation – corrective actions and action steps for the compliant status” dated 23 September member of the EITI International Secretariat Dyveke Rogan shed some light on questions of the MSG about implementation of the corrective actions. Government and civil society continued a dialogue for resolving the problems faced by NGOs. Every single progress in implementation of the corrective actions in 2015 was recorded in the Activity plan by the EITI local Secretariat.</p>
<p>3. Training Enhancing competency of the companies in filling out the EITI reporting templates and increasing quality of the EITI reporting</p>	<p>The training on improvement of professionalism in filling of EITI reports and increasing of EITI report quality for the members of the local and foreign companies operating in mining field was held on July 30, 2015 at SOFAZ. This year members of the NGO Coalition in extractive industries also participated at the training, as the seminar was initiated also to build another floor where NGOs and companies could communicate directly. Holding this kind of seminar did not give expected outcomes in terms of raising professionalism of reporting staff as old mistakes were in place in</p>

	<p>the next reporting cycle. Working group on reporting and MSG widely discussed constraints and frequent rotations among responsible persons for reporting and miscommunication within the company were considered as the main causes of the ineffectiveness of the seminars. As a result of Working group and MSG discussions it was decided to conduct such seminar before the reporting cycle starts. The Secretariat were closely cooperating with companies to seek solutions to the problems.</p>
<p>4. EITI Data simplification Improving readability and comprehensibility of the EITI reporting</p>	<p>Increasing amount of data created a necessity to find out ways to manage hundred-pages of EITI information effectively. Azerbaijan achieved to deliver the data in a more systematic way in the 2014 EITI Report. Still, MSG is committed to take steps to improve the quality of the report by also considering comments of the Coalition.</p> <p>The 2014 EITI data is delivered to public through not only heavy EITI reports, but also in the form of two different excel spreadsheets (one for the EITI International Secretariat, the other for www.eiti.az), as well as summary reports which are placed on the official EITI Azerbaijan web-site.</p>
<p>5. Awareness raising Raising public awareness about EITI implementation in Azerbaijan, promotion of EITI's general philosophy and Azerbaijan's EITI report, exchange of experiences with other countries</p>	<p>For the year 2015 below mentioned events were held for raising public awareness about EITI:</p> <ul style="list-style-type: none"> • Representatives of the Civil Society participated in training on improvement of professionalism in filling of EITI reports and increasing of EITI report quality for the members of the local and foreign companies operating in mining field; • NGO Coalition held series of roundtables in regions supported by the World Bank and SOFAZ in Shirvan, Neftchala and Gadabay. The events were held in order to inform and increase awareness of citizens, representatives of Civil Society and local communities; • The EITI NGO Coalition held the workshop on “The compliance of the EITI Report 2013 of Azerbaijan with EITI Standard’s require-

	<p>ments” on September 18, 2015 at SOFAZ. The workshop was organized in order to raise NGO Coalition’s members awareness about EITI implementation in Azerbaijan;</p> <ul style="list-style-type: none"> • The NGO Coalition held public debates in Siyazan and Salyan on “The EITI aim, implementation and the use of outcomes” in the frame of “public support to the improving transparency in extractive industries”; • EITI NGO Coalition’s opinion on the 2013 EITI Report was presented at a roundtable held by the EITI NGO Coalition with the support of CSSN. The event was held for the representatives of governmental organizations, international organizations, embassies, civil society institutions and mass media; • On October 20, 2015 at the Azerbaijan State University of Economics the EITI NGO Coalition held the workshop on “The EITI aim, implementation and use of outcomes”. • NGO Coalition held series of TV debates on different topics such as “2013 EITI Report: achievements and challenges”, “EITI and Azerbaijan”, “Role of civil society in EITI implementation” and “State Oil Fund” in “Economic forum” program. • EITI stakeholders and members of the local Secretariat continued to actively participate in different regional and international EITI events sharing the practice of Azerbaijan in EITI implementation. <p><u>Uncompleted action steps:</u> NGO Coalition conducted a TV program on EITI broadcasted in 3 regional TV channels (Sumgayit, Ganja and Guba). However, conducting a TV program and discussing EITI Report outcomes in central TV channels was incompleting in 2015. It was due to weak financial capacity of NGO Coalition and weak relations with central TV channels. The action step was shifted to 2016 Work Plan.</p>
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<p>6. Improving of MSG effectiveness Improving management, increasing reporting and transparency on MSG's activity</p>	<p>The EITI Secretariat prepared a report on status of implementation of MSG decisions in 2015 and presented it to the MSG.</p> <p><u>Uncompleted action steps:</u> Draft Code of Conduct had been drafted by NGO Coalition and presented to the MSG. It includes the resolution of conflict of interest among MSG members. The document was edited by the Group of Companies and disseminated within all EITI parties for final approval. The approval of the Code of Conduct was shifted to Work Plan 2016.</p>
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Impact of the EITI implementation in Azerbaijan

The EITI stakeholders of Azerbaijan identify two major positive impact of the EITI implementation in the country:

- Fruitful policy dialogue among government, companies and civil society. These three parties have gathered around a table to formulate policies and make decisions. Thus, the EITI made a difference in the sector and brought about new type of policy-making to the country.
- Trust to the government and companies in the extractive sectors. Before the EITI has been implemented in Azerbaijan, both civil society and media had a lot of questions regarding the revenues coming from extractive sectors. Tons of articles were being published during that period on inappropriate use of revenues, corruption and bribery. The EITI dropped this kind of issues from the agenda by promoting transparency and accountability in extractive industry revenues.

Assessment of performance against requirements of EITI Standard 2013

REQUIREMENTS	PROGRESS
1. The EITI requires effective oversight by the multi-stakeholder group.	
1.1 The government is required to issue an unequivocal public statement of its intention to implement the EITI.	<p>Statement of Ilham Aliyev, First Vice President of SOCAR, spoke on behalf of the Azerbaijan Government.</p> <p>In his meeting with former EITI chair Clare Short he re-affirmed government's commitment to implement EITI and instructed EITI Commission to ensure that all outstanding issues are resolved.</p>
1.2 The government is required to appoint a senior individual to lead the implementation of the EITI.	The Executive Director of the State Oil Fund of the Republic of Azerbaijan was appointed by the Order of the Cabinet of Ministers of the Republic of Azerbaijan on November 30, 2003 for leading the EITI process in the country. ³
1.3 The government is required to commit to work with civil society and companies, and establish a multi-stakeholder group to oversee the implementation of the EITI.	<p>The MSG for implantation of EITI was established in 2010 based on recommendations of the Validators. MSG conducts its work in accordance with the Memorandum of Understanding signed by all EITI parties.⁴</p> <p>The MoU reflect all the information required in the 1.3.g of the Standard</p> <p>All EITI parties are fully involved in the EITI process. Parties have equal access to the MSG. Decisions of the MSG are made on consensus basis which gives an equal right to each party in the decision making process. Agendas of the meetings are sent to MSG members at least 3 days ahead of the meeting and members have a right to propose any issue for the inclusion to the agenda.</p>

³ Order of the Cabinet of Ministers of the Republic of Azerbaijan on November 30, 2006: <http://www.eiti.az/index.php/en/senedler-2/ordinance2/270-ordinance-of-the-cabinet-of-ministers-of-the-republic-of-azerbaijan-224>

⁴ Latest composition of MSG: <http://www.eiti.az/index.php/en/mhsht-ve-azerbaycan-2/multi-stakeholder-group>; Meorandum of Understanding: <http://www.eiti.az/index.php/en/senedler-2/memorandum>

<p>1.4 The multi-stakeholder group is required to maintain a current work plan, fully costed and aligned with the reporting and Validation deadlines established by the EITI Board.</p>	<p>Annual work Plan for 2015 was prepared under the requirements 2013 EITI Standard. Deadlines, budget, responsible parties and expected outcomes were reflected in the Work Plan.⁵ MSG and local Secretariat worked on linking objectives of the Work plan to national priorities. In close cooperation and consultation with International Secretariat 2016 Work Plan was prepared fully addressing all requirements set in the Standard.</p>
<p>1.5 Adapted implementation</p>	<p>Not applicable</p>
<p>1.6 EITI reporting and Validation deadlines</p>	<p>2013 EITI Report was disclosed on July 16, 2015. Validation issues were completed on March, 2015 in Azerbaijan.</p>
<p>1.7 Suspension</p>	<p>Not applicable</p>
<p>1.8 Delisting</p>	<p>Not applicable</p>
<p>1.9 Appeals</p>	<p>Not applicable</p>
<p>2. The EITI requires timely publication of EITI Reports.</p>	
<p>2.1 Implementing countries are required to produce their first EITI Report within 18 months of being admitted as an EITI Candidate. Thereafter, implementing countries are expected to produce EITI Reports on an annual basis.</p>	<p>All EITI reports of Azerbaijan are disclosed to public in a timely manner without any delay. 2015 was not an exception. Azerbaijan met deadlines set in the EITI Standard for publication of EITI reports.</p>
<p>2.2 EITI Reports must cover data no older than the second to last complete accounting period, e.g. an EITI Report published in calendar/financial year 2014 must be based on data no later than calendar/financial year 2012. Multi-stakeholder groups are encouraged to explore opportunities to publish EITI Reports as soon as practically possible. In the event that EITI reporting is significantly</p>	

⁵ 2015 EITI Work Plan: <http://www.eiti.az/index.php/en/senedler-2/work-plan-for-implementation-of-eiti/577-2014-work-plan-for-implementation-of-eiti-2>

<p>delayed, the multi-stakeholder group should take steps to ensure that EITI Reports are issued for the intervening reporting periods so that every year is subject to reporting.</p>	
<p>2.3 The multi-stakeholder group is required to agree the accounting period covered by the EITI Report.</p>	<p>In 2010 MSG decided to transit from “semiannual and annual reporting” to “annual reporting” in EITI until any new decision is made by the MSG</p>
<p>3. The EITI requires EITI Reports that include contextual information about the extractive industries.</p>	
<p>3.1 Compiling contextual information.</p>	<p>According to MSG decision in 2014, an Independent Administrator responsible for the reconciliation of the EITI data was also requested to collect contextual information. Special Working group for EITI reporting (consists of MSG members and local Secretariat members) was also working in cooperation with Independent Administrator in collecting required information.</p>
<p>3.2 The EITI Report must describe the legal framework and fiscal regime governing the extractive industries.</p>	<p>Information on legal framework and fiscal regime about extractive industries was included to the EITI Reports 2013 (pages 43-45) and improved in EITI Report 2014⁶ (pages 16-19)</p>
<p>3.3 The EITI Report should provide an overview of the extractive industries, including any significant exploration activities.</p>	<p>General information on mining industries, including significant exploration activities was included to the EITI Report 2013 (pages 47-54) and EITI Report 2014 (pages 24-29)</p>
<p>3.4 The EITI Report must disclose, when available, information about the contribution of the extractive industries to the economy for the fiscal year covered by the EITI Report.</p>	<p>Contribution of the extractive industries containing share of extractives in GDP, in state budget, in export, in employment and in capital investments was included in the EITI Report 2013 (pages 55-61) and EITI Report 2014 (page 30-36)</p>
<p>3.5 The EITI Report must disclose production data for the fiscal year covered by the EITI Report, including:</p> <p>a) Total production volumes and the value of production by</p>	<p>The production data can be found in 2013 EITI Report (pages 58-61) and 2014 EITI Report (pages 31-32)</p>

⁶ EITI reports: <http://www.eiti.az/index.php/en/reports>

<p>commodity, and, when relevant, by state/region</p> <p>b) Total export volumes and the value of exports by commodity, and, when relevant, by state/region of origin.</p>	
<p>3.6 Where state participation in the extractive industries gives rise to material revenue payments, the EITI Report must include:</p> <p>a) An explanation of the prevailing rules and practices regarding the financial relationship between the government and state-owned enterprises (SOEs), e.g. the rules and practices governing transfers of funds between the SOE(s) and the state, retained earnings, reinvestment and third-party financing.</p> <p>b) Disclosures from SOE(s) on their quasi-fiscal expenditures such as payments for social services, public infrastructure, fuel subsidies and national debt servicing. The multi-stakeholder group is required to develop a reporting process with a view to achieving a level of transparency commensurate with other payments and revenue streams, and should include SOE subsidiaries and joint ventures.</p> <p>c) Disclosures from the government and SOE(s) of their level of beneficial ownership in mining, oil and gas companies operating within the country's oil, gas and mining sector, including those held by SOE subsidiaries and joint ventures, and any changes in the</p>	<p>Detailed information on financial relationship between the government and SOEs, level of beneficial ownership and SOCAR's quasi-fiscal expenditures was included to EITI Report 2013 (pages 61-67) and EITI Report 2014 (pages 37-45)</p>

<p>level of ownership during the reporting period. This information should include details regarding the terms attached to their equity stake, including their level of responsibility to cover expenses at various phases of the project cycle, e.g. full-paid equity, free equity, carried interest. Where there have been changes in the level of government and SOE(s) ownership during the EITI reporting period, the government and SOE(s) are expected to disclose the terms of the transaction, including details regarding valuation and revenues. Where the government and SOE(s) have provided loans or loan guarantees to mining, oil and gas companies operating within the country, details on these transactions should be disclosed in the EITI Report.</p>	
<p>3.7 The EITI Report must describe the distribution of revenues from the extractive industries.</p>	<p>Structure of SOFAZ revenues was included to EITI Report 2013 (page 68) and EITI Report 2014 (page 45)</p>
<p>3.8 The multi-stakeholder group is encouraged to include further information on revenue management and expenditures in the EITI Report</p>	<p>According to the MSG decision, implementation of the EITI Standard started from the fulfillment of the requirements and only after full compliance with the requirement MSG will consider the implementation of the encouragements. Nevertheless, 5 PSAs are disclosed on www.eiti.az</p>
<p>3.9 Registration of licenses</p>	<p>On-line register of PSAs is available on EITI Azerbaijan website.⁷ 2014 EITI Report includes the link to this document (page 46).</p>
<p>3.10 Allocation of licenses</p>	<p>Detailed information was included into 2014 EITI report (page 46).</p>

⁷ On-line PSA register: <http://www.eiti.az/index.php/en/senedler-2/registration-of-licenses>

3.11 Beneficial ownership	SOCAR disclosed its level of beneficial ownership in oil and gas companies within and outside the country and changes in the level of beneficial ownership in 2014 EITI Report
3.12 Contracts	Negotiations continue with companies to get their agreement for disclosing PSAs. 5 PSAs are published on EITI Azerbaijan official web-site. ⁸
4. The EITI requires the production of comprehensive EITI Reports that include full government disclosure of extractive industry revenues and disclosure of all material payments to government by oil, gas and mining companies.	
4.1 Defining the taxes and revenues to be covered in the EITI Report	MSG has decisions on payments to be covered in the EITI Report in its different meetings over the last years. In 2015 there were no change to the list of material payments according to researches of the MSG.
4.2 Defining which companies and government entities are required to report	Based on scoping studies of local Secretariat 39 extractive companies which made payments to government in 2014 identified and all of them reported. There were no change in the list of reporting governmental agencies.
5. The EITI requires a credible assurance process applying international standards.	
5.1 Appointment of the Independent Administrator	In 2011, with the support of the State Oil Fund MSG held a bidding process of the Independent Administrator for preparation of the EITI Reports for 2012, 2013 and 2014. Moore Stephens audit firm won the bidding process and a 3-year-contract was signed between SOFAZ and Moore Stephens.
5.2 Agreement of Independent Administrator's Terms of Reference	Independent Administrator's Terms of Reference was firstly prepared for 2013 and 2014 years in accordance with the Standard Terms of Reference endorsed by the EITI Board (prior to Standard ToR had been prepared in accordance with standard template for bidding in legislation). The ToR includes provisions on reviewing audit and assurance practices, agreeing on assurances provided by the reporting entities and level of disaggregation.

⁸Disclosed PSAs: <http://www.eiti.az/index.php/en/senedler-2/agreements>

<p>5.3 Assessment and recommendations from the Independent Administrator</p>	<p>2013 and 2014 EITI reports reflect Independent Administrator’s assessment of reported data and identified discrepancies. Starting form 2013 EITI Reports IA produces electronic data files as per EITI requirements. It also assesses the reliability of the data with spot checks in randomly selected reporting companies in accordance with the MSG decision. The reports highlight that all companies and government agencies within the agreed scope have reported and their financial statements are audited. Both reports are followed by the IA recommendations for the next reporting cycles.</p>
<p>5.4 The multi-stakeholder group should endorse the EITI Report prior to its publication.</p>	<p>Both 2013 and 2014 EITI Reports were endorsed by the MSG at their meetings.⁹</p>
<p>6. The EITI requires EITI Reports that are comprehensible, actively promoted, publicly accessible, and contribute to public debate.</p>	
<p>6.1 The multi-stakeholder group must ensure that the EITI Report is comprehensible, actively promoted, publicly accessible and contributes to public debate.</p>	<p>2013 and 2014 EITI reports are produced in paper copies and distributed among civil society organizations, companies and media. They are also available online at www.eiti.az. Public was informed about the availability of reports through state newspaper and press-releases.¹⁰ IA and Working Group worked a lot for producing comprehensible and easily graspable EITI reports. Recommendations of the NGO Coalition were also reviewed in the course of work. 53 articles were published in most visited online media (excluding web-sites of EITI Azerbaijan, SOFAZ and NGO Coalition) throughout 2015. The outreach events undertaken to spread awareness are summarized below:¹¹</p>

⁹ EITI Work Plans: <http://www.eiti.az/index.php/en/senedler-2/work-plan-for-implementation-of-eiti>, press releases: <http://www.eiti.az/index.php/en/2015-2/581-mhst-iclas-2072019>, <http://www.eiti.az/index.php/en/2016-2/600-mhst-iclas-42>

¹⁰ <http://www.xalqqazeti.com/az/news/ads/60687> <http://www.eiti.az/index.php/en/2015-2/581-mhst-iclas-2072019>

¹¹ For more detailed information see “Assessment of performance against targets and activities set out in the work plan”, 5.Awareness raising

	<ul style="list-style-type: none"> - NGO Coalition held series of roundtables in regions with the support of World Bank and SOFAZ in Shirvan, Neftchala and Gadabay. - The EITI NGO Coalition held the workshop on “The compliance of the EITI Report 2013 of Azerbaijan with EITI Standard’s requirements” to 30 Coalition members on September 18, 2015 at SOFAZ. - The NGO Coalition held public debates on “The EITI aim, implementation and the use of outcomes” in Siyazan and Salyan; - The roundtable of the presentation of the EITI NGO Coalition’s opinion on the 2013 EITI Report was held by the EITI NGO Coalition with the support of CSSN. - On October 20, 2015 the EITI NGO Coalition held the workshop on “The EITI aim, implementation and use of outcomes” at the Azerbaijan State University of Economics. - On October 18, 2015 the NGO Coalition held 4 on-line TV debates (one was devoted to 2013 EITI report) in “Economic forum” program (total 424 views). A TV program on EITI was broadcasted in 3 regional TV channels: Sumgayit, Ganja and Guba (2.5 mln population)
<p>6.2 The multi-stakeholder group is encouraged to make EITI Reports machine readable, and to code or tag EITI Reports and data files so that the information can be compared with other publicly available data.</p>	<p>The preparation of the summary report of the 2014 EITI Report was substantially finalized in 2015 and the report was printed in 2016. Secretariat has been preparing electronic data files in excel spreadsheets and placing them at www.eiti.az starting from 2013 EITI Report.</p>
<p>7. The EITI requires the multi-stakeholder group to take steps to act on lessons learnt and review the outcomes and impact of EITI implementation.</p>	
<p>7.1 The multi-stakeholder group is required to take steps to act upon lessons learnt; to identify, investigate and address the causes of any dis-</p>	<p>Prior to and in the course of each reporting cycle MSG and Working Group intensively works on recommendation of not only AI but also NGO Coalition.</p>

<p>crepancies; and to consider recommendations for improvement from the Independent Administrator.</p>	
<p>7.2 The multi-stakeholder group is required to review the outcomes and impact of EITI implementation on natural resource governance.</p>	<p>Annual Activity reports are produced periodically without any delay and in accordance with all provisions of EITI Standard. All stakeholder were given access to draft Activity Report and giving a comment if any through coordinator of each party and representing MSG members.</p>

Overview of the MSG responses to the recommendations from the Validation of EITI 2013 draft report and Reconciliation

Recommendations from the Validation

Recommendation	Status/Progress
MSG oversight	
The draft 2013 report should be updated to include all missing information identified in this validation report required by the 2013 Standard	The Independent Administrator and the Working Group improved the 2013 EITI Report by Validator’s recommendations and the MSG approved the report on July 16, 2015
The NGO Coalition should formally apply to register with the Ministry of Justice	The issue on registration of the NGO Coalition was raised in the meeting of the NGO Council and General Assembly and the members did not reach an agreement due to diverse views. However, it was decided that next Council should investigate legal and regulatory framework and assess necessity of the registration. As a result of these studies the Council should prepare proposal till the next General Assembly.
The Government of Azerbaijan (GoAZ) should facilitate the registration of the NGO Coalition if and how required and provide capacity building support on financial management	The government have always supported the registration of the NGO Coalition and believed that this will ease the financial management of the Coalition. However NGO Coalition decided not to register as a single entity in the Ministry of Justice.
A funding mechanism for the NGO Coalition should be agreed with CSSN, to enable fulfilment of CSO components of annual work plans	In March 2015 CSSN defined “State support to EITI process” as one of the priority directions for the allocation of grants. As a result, 6-month-project of Coalition “Public support for improving transparency in extractive industries” won grant amounted 17.000 AZN. Activities done within the framework of the project: <ul style="list-style-type: none"> - Workshop on “The EITI aim, implementation and use of outcomes” at the Azerbaijan State University of Economics

	<ul style="list-style-type: none"> - Public debates on “The EITI aim, implementation and the use of outcomes” in Siyazan and Salyan - 4 online TV programs (Economic forum) dedicated to EITI and natural resource governance (424 views in total). The programs were also broadcasted in regional TV channels of Sumgayit, Ganja and Guba (2.5 mln population) - Capacity building training for NGO members on new EITI Standards.
The review of frozen NGO bank accounts should be fast tracked, and the results made publicly available	3 out of 6 frozen bank accounts of Coalition members are unfrozen after negotiations during 2015. Unblocking all frozen accounts of Coalition members was completed in the first half of 2016. ¹²
The MSG should consider developing a transparency and accountability strategic framework that shapes medium to long term thinking, going beyond the minimum requirements of the EITI 2013 Standard	<p>Azerbaijan considers to mainstream EITI into routine reporting practices of government agencies and companies. Benefits of mainstreaming that MSG defined are:</p> <ul style="list-style-type: none"> - Achieving sustainable EITI reporting practice - Timely and accessible EITI data - Avoiding overlapping reporting practices - Saving of resources (money, time, human) - Easily searchable and comparable EITI data <p>Preliminary discussions were held for further realization of the ideas around mainstreaming.</p>
Financial support should be provided to implement (and develop) the 2015-18 NGO Coalition Strategic Plan (Secretariat, capacity-building, project support), building on existing World Bank support	The document prepared by the NGO Coalition is more of analyzing nature rather than Strategy Plan. It includes stakeholder and SWOT analysis. Giving all these, no financial support was allocated to this direction.
The MSG consider setting up an online automated continuous reporting system and web-based reporting templates to reduce the cost of reporting	The local Secretariat is working on application of EITI e-reporting. Best practices of EITI implementing countries have been examined and further consultations with World Bank are in progress.
The work plan should be updated to reflect best practice	2016 EITI Work Plan was updated based on Validator recommendations as well as EITI Standard.

¹² Press-release: <http://oxu.az/society/125841>

EITI disclosures	
The IA should provide further details and explanations around licenses, reforms and laws as outlined in the summary table and detailed in the report	On-line register of PSAs is available on EITI Azerbaijan website. 2014 EITI Report includes the link to this document. Detailed information on license allocation and laws can be obtained in 2014 EITI Report.
More information should be disclosed about PSAs, including the location of all active PSAs on a publically available website	Negotiations continue with companies to get their agreement for disclosing PSAs. 5 PSAs are published on EITI Azerbaijan official web-site.
Going forward, disclosures of beneficial ownership should be considered and discussed by the MSG	Discussion around beneficial ownership disclosure has started from 2016. Special legal firm was assigned to prepare beneficial ownership roadmap after a bidding process.
The 2013 EITI final report should include information on exploration activities	Information on exploration activities was added to 2014 EITI Report
The MSG should ensure the 2013 EITI final report includes information and data related to unmet provisions outlined in this document	MSG ensured that all information required by the EITI Standard, outlined by the Validator and possible to disclose considering time constraints was included to the 2013 Report.
The MSG should review the definition on materiality and specifically ensure that material revenue streams are comprehensively covered by the final EITI report and an appropriate level of disaggregation is provided by government departments and companies	MSG reviewed and determined material revenue streams and disaggregation level several times at MSG meetings held in 9 April 2012 and 30 January 2013. Different amendments due to changes in international requirements and local circumstances were also made to determined material payments.
The MSG should consider including the encouraged provisions in the next EITI report	According to the MSG decision, implementation of the EITI Standard started from the fulfillment of the requirements and only after full compliance with the requirement MSG will consider the implementation of the encouragements. The rationale of this kind of decision was the intention to effectively use financial, time and human resources. MSG admitted that new Standard requires allocation of huge resources and raises a lot of questions that were never reviewed before. Therefore, MSG decided at first stage to direct all resources to the fulfillment of requirements and after full compliance with the requirements to proceed with recommendations.

	<p>Nevertheless, in the past years MSG has also put efforts to broaden EITI implementation in the country. MSG sent letters to companies several times to get their consent to disclose PSA texts and achieved publishing 5 PSAs at www.eiti.az. MSG seeks other ways to disclose rest of the PSAs.</p> <p>MSG has also launched discussions with World Bank to mainstream EITI in government and companies' reporting routine. As a part of preliminary discussions it is planned to start with developing comprehensive action plan which will basically include feasibility studies, actions to strengthen legal basis, to embed EITI to the government's statistical structure, to create a new portal for the transition to e-reporting etc. The EITI Secretariat and MSG will closely work with the WB throughout the project implementation.</p> <p>Companies operating in Azerbaijan pays mandatory social payments to the government. MSG decided to include total amount of these payments to the EITI Report even though it is neither required nor encouraged by the Standard.</p>
<p>The MSG should include details on quasi fiscal revenue and expenditure in the final 2013 report</p>	<p>Further information on quasi-fiscal expenditures of SOCAR was included to the 2013 EITI Report. Afterwards, NGO Coalition made a research on quasi-fiscal expenditures of SOCAR and presented it before MSG. As per decision of MSG, some extracts from the research were included to the 2014 EITI Report.</p>
<p>The MSG should include details on relevant social expenditure in the final 2013 report</p>	<p>Material social expenditures by companies are not mandated by law or the contract in Azerbaijan. Thus, it is not applicable.</p>
<p>Outcomes and Impact</p>	
<p>The IA should place emphasis on ensuring the language in the final report is comprehensible and accessible</p>	<p>IA and Working Group worked a lot for producing comprehensible and easily graspable EITI reports. Recommendations of the NGO Coalition on restructuring the report were also reviewed in the course of work.</p>

<p>The MSG should organize further outreach events, and ensure the NGO Coalition members have access to funding to ensure they can report to the general public</p>	<p>MSG organized outreach events and NGO Coalition held different events on EITI in 2015.¹³ Besides abovementioned, coordinator of NGO Coalition held 8 meetings with the chairman of the EITI Commission and 7 meetings in Presidential Administration. Throughout the year State Support for NGOs allocated grants amounted 193.000 AZN to different projects of the 32 Coalition member organizations.</p> <p>One member organization of the Coalition got a grant for the project related to defense of rights of extractive industry workers from international donor (EEP- European Endowment for Democracy)</p>
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¹³ For more detailed information see “Assessment of performance against targets and activities set out in the work plan”, 5.Awareness raising

Reconciliation's recommendations

Recommendation	Status/Progress
Notifying and informing the companies that produce erroneous reports on a regular basis	Companies were informed about their mistakes and errors in previous reporting at the seminar held on July 30 2015.
Seminars and training should be organized for the participants of the reconciliation process	The training has been organized in July 2015 prior to commencement of the reconciliation process, which covered the topics in relation to the new EITI requirements.
The companies and government agencies should undertake necessary steps to ensure that reports submitted by extractive companies and government agencies are certified by an independent external auditor. It will decrease the number of errors made by the companies during the submission of reporting templates each year	It was agreed with the MSG to consider the credibility of data and included in the TOR. The credibility of the information has been agreed to be signed-off by a senior company and government official who gives assurance that the figures are complete and accurately recorded. The companies within the extractive industry will be requested to provide an additional letter from their external auditors on the completeness and accuracy of the figures included in the reporting templates.

SWOT analysis of EITI implementation in 2015

Strengths

- Increase in a number of awareness-raising events and expansion of them to the regions of Azerbaijan
- Achieving full disclosure of license register
- Involvement of CSSN to financing of some EITI projects of Coalition
- One more extractive company joined the Initiative in 2015. Thus, Azerbaijan continued its full EITI disclosure
- Achieving disclosure of 5 PSA texts at www.eiti.az, besides being compliant with EITI requirement

Weaknesses

- Financial and logistical limitations of Coalition to implement the activities in the Work Plan
- No agreement within Coalition to register as a legal entity
- Low public interest in Initiative, low activity in social media
- Weak relations with central TVs
- Weak regional engagement in EITI
- Non-regular trainings to increase the knowledge and skills of coalition members
- Decrease in production of methodological facilities
- Lack of EITI legal framework

Opportunities

- Willingness of all EITI parties to continue cooperation
- Possibility of transition to e-reporting and mainstreaming EITI reporting to disclosure practices of government and companies
- Newly updated EITI Standard with new initiatives such as disclosure on beneficial ownership in extractive industries

Threats

- Security challenges in the region
- Suspension of Azerbaijan from EITI
- Open government partnership decision on inactive membership of Azerbaijan
- No cancellation of changes made to Law on "Grants".

Expenditures of Azerbaijan EITI Secretariat

Components	Amount (AZN)
Printing	6 785.00
Business travels	14 190.80
Preparation of EITI Report	38 778.70
Translation	1974.00
Total	59754.50

Note: All costs of EITI Secretariat are covered by the State Oil Fund

Annex 1

The members of Multi-Stakeholder Group in 2015

EITI Commission

Shahmar Movsumov	The Executive Director of SOFAZ, the chairman of the EITI Commission, MSG chairman
Iftikhar Huseynov	Representative of Ministry of Energy
Zaur Fatizadeh	Representative of Ministry of Taxes
Shahmirza Safarov	Representative of Ministry of Ecology and Natural Resources (alternate)

Group of Companies

Tamam Bayatly	Representative of "BP"
Nargiz Mehdiyeva	Representative of "Statoil"
Kamran Maharramov	Representative of the State Oil Company of the Azerbaijan Republic (SOCAR)
Bakhtiyar Akhundov	Representative of "Chevron" (alternate)
Rasim Akhundov	Representative of "Total" (alternate)
Vagif Abdullayev	Representative of "Neftechala" company (alternate)

ITEI Coalition

Rafiq Tamrazov	Public Union Centre of Equal Opportunities
Alimammad Nuriyev	"Constitution" Researches Fund
Sabit Bagirov	Economic and Political Research Center
Zaur Akbar	"Youth Club" Public Union"
Azer Mehtiyev	"Support for Economic Initiatives" Public Union
Ilgar Huseynli	Social Strategic Studies and Analytically Investigations Public Union

Annual Work Plan 2015

Priorities for 2015	Action steps	Estimated implementation date	Note	Actual implementation date	Responsible party/ies	Funding source	Allocated funds	Implementation status	Capacity constraints	Outcome
1. Preparation, disclosure of the EITI Report and Activity Report for 2013 in accordance with the EITI Standard and their publication in a single document	2013 EITI report ¹	1.1. Collect contextual information		July 10	Secretariat ³ , Auditor ⁴ , MSG ⁵	SOFAZ ⁹	AZN 4.995	Completed	Not exist	Informing the public about revenues from extractive industries, enhancing the content and increasing the volume of EITI reports, increasing benefits and easing the use of the EITI data
		1.2. Discuss and approve contextual information			MSG	No funding required	Completed	Not exist		
		1.3. Approve the Auditor's report	May 1-15	Upon implementation of Action 1.1-1.2	July 16	Auditor, MSG	No funding required	Completed	Not exist	
		1.4. Place the Government's report, Auditor's report and companies' individual reports on the websites of the EITI Azerbaijan, SOFAZ, the Coalition ⁶ and the International Secretariat	May 15-20	Within 3 days of implementing Action 1.3	July 20	Secretariat	No funding required	Completed	Not exist	
		1.5. Publish the Government's final report in the official government newspaper			August 6	Secretariat	SOFAZ	AZN 400	Completed	

	1.6. Present the NGO Coalition's opinion	May 15 -June 15	Within one month of implementing Action 1.3	November 23	Coalition	No funding required		Completed	Not exist
	1.7. Place the report figures on the EITI website in the form of a separate e-file	May 15-29	Within 14 days of implementing Action 1.3	December 30	MSG, Secretariat	No funding required		Completed	Not exist
	1.8. Prepare/fill in standard electronic report drafted by the International Secretariat and submit it back to the Secretariat			September 9	Auditor, Secretariat	No funding required		Completed	Not exist
	1.9. Prepare a summary of the EITI report in order to maintain readability and comprehensibility for population considering the inclusion of new information to the report	June 20-22		December 25	MSG	No funding required		Completed	Not exist
	1.10. Discuss the draft document to be printed, combining EITI report and Activity Report	June 15 - August 3		December 25	MSG, Secretariat	No funding required		Completed	Not exist
	1.11. Publish the EITI report (2013) and the Activity report (2013) in a single document		Was included to the 2016 Work Plan		Secretariat	SOFAZ		Not completed	Not exist

		1.12. Presentation of the report to public	August 3-10	Was included to the 2016 Work Plan		Coalition, Secretariat	SOFAZ		Not completed	Not exist	
2. Successful EITI validation of Azerbaijan	Validation	2.1. Commence the Validation	January 1		January 1	Validator, MSG, Secretariat	International Secretariat		Completed	Not exist	Preserving the compliant membership status of Azerbaijan
		2.2. Initial inspection	January 1 - February 3		January 1 - February 3	Validator, MSG, Secretariat	International Secretariat		Completed	Not exist	
		2.3. Hold meetings with Validator and coordinating support for collecting the necessary information	February 3-14		February 3-14	Secretariat, MSG	International Secretariat		Completed	Not exist	
		2.4. MSG meeting with the Validator. Presentation of the Validator on initial findings	February 13		February 13	MSG, Secretariat, Validator	SOFAZ		Completed	Not exist	
		2.5. Submission the draft validation report	February 15		February 17	Validator	No funding required		Completed	Not exist	
		2.6. Submission opinions on the draft Validation report by the MSG and the Validation Committee	February 27	Within 12 days of implementing Action 2.5 should be presented to the Validator	February 27	MSG, Secretariat	No funding required		Completed	Not exist	

		2.7. Presentation of the final validation report to the EITI Boad and MSG	March 6		March 6	Validator	No funding required		Completed	Not exist	
3. Organizing a training for the Company Group to increase the quality of EITI reporting		3.1. Discuss and approve the training program, define the training participants	April 20-30		July 23	Secretariat, Company Group ⁷ , MSG	No funding required		Completed	Not exist	Enhancing competency of the companies in filling out the EITI reporting templates and increasing quality of the EITI reporting
		3.2. Conduct the training	May 7-21		July 30	Secretariat, Company Group	SOFAZ	AZN 500	Completed	Not exist	
4. Preparation, disclosure of the EITI Report and Activity Report for 2014 in accordance with the EITI Standard and their publication in a single document	2014 EITI report	4.1. Discuss and approve the Terms of Reference for the Auditor	May 15 - July 15	Within two month of implementing Action 1.3	November 6	MSG	No funding required		Completed	Not exist	Informing the public about revenues from extractive industries, enhancing the content and increasing the volume of EITI reports, increasing benefits and easing the use of the EITI data
		4.2. Collect contextual information			November 1	Secretariat, MSG, Auditor	SOFAZ	AZN 4.995	Completed	Not exist	
		4.3. Check the materiality of payments by companies to the State Social Protection Fund (SSPF) for 2014			December 25	MSG, Secretariat	No funding required		Completed	Not exist	
		4.4. Discuss and approve contextual information			December 25	MSG	No funding required		Completed	Not exist	
		4.5. Send reporting templates to local and foreign companies	May 15-22		July 24	Secretariat	No funding required		Completed	Not exist	

	4.6. Submit the Government's, local and foreign companies' reports to the Auditor	May 18 -June 22	Within one month of implementing Action 4.5	August 28	Committee ⁸ , Company Group	No funding required		Completed	Not exist	
	4.7. Conduct the reconciliation process	June 22 -August 21	Within two month of implementing Action 4.6	December 25	Auditor	SOFAZ	AZN 22.590	Completed	Not exist	
	4.8. Present Auditor's reconciled report, companies' individual reports and Government's report to the MSG	September 1-8	Upon implementation of Actions 4.4 and 4.7	December 25	Auditor, MSG	No funding required		Completed	Not exist	
	4.9. Initial comments of the MSG to the Auditor's report	September 3-17	Was included to the 2016 Work Plan		MSG	No funding required		Not completed		
	4.10. Presentation and approval of Auditor's final Report (covering MSG'S comments)	September 10-17	Was included to the 2016 Work Plan		Auditor, MSG	No funding required		Not completed		
	4.11. Place Government's report, Auditor's report and companies' individual reports on the websites of the EITI Azerbaijan, SOFAZ, Coalition	September 17-22	Was included to the 2016 Work Plan		Secretariat	No funding required		Not completed	Not exist	

		and International Secretariat								
		4.12. Publish Government's final report in the official government newspaper		Was included to the 2016 Work Plan		Secretariat	SOFAZ	AZN 500	Not completed	Not exist
		4.13. Presentation of the NGO Coalition's opinion	September 10 - October 12	Was included to the 2016 Work Plan		Coalition	No funding required		Not completed	Not exist
	Annual Activity report?	4.14. Conduct preliminary discussions on the Activity report.	April 15 - May 15		May 15	MSG	No funding required		Completed	Not exist
		4.15. Prepare the draft text of the report	April 15 - June 15		June 15	MSG, Secretariat	No funding required		Completed	Not exist
		4.16. Send required information and materials to the Secretariat			June 29	Coalition, Company Group, Committee	No funding required		Completed	Not exist
		4.17. Approve the final text of the report, place it on the EITI Azerbaijan website	June 15-22		June 29	MSG, Secretariat	No funding required		Completed	Not exist
		4.18. Discuss the draft document combining the EITI report and Activity report	October 1 - December 29	Was included to the 2016 Work Plan		MSG, Secretariat	No funding required		Not completed	Not exist
	Publication									

		4.19. Publish the EITI report (2014) and Activity report (2014) in a single document				Secretariat	SOFAZ		Not completed	Not exist	
5. Improving readability and comprehensibility of the EITI reporting	5.1. Prepare a summary of the EITI report in order to maintain readability and comprehensibility for population considering the inclusion of new information to the report	September 22 - October 22	Was included to the 2016 Work Plan			MSG	No funding required		Not completed	Not exist	
	5.2. Conduct researches on determination of the capacity for improving national reporting based on comparison of EITI countries' reporting experience in accordance with EITI Standard	June-December			December 25	Coalition	No funding required		Completed		
6. Conduction meetings on exchange of experience, outreach within country and abroad for the EITI implementation in Azerbaijan	6.1. Deliver the Report to public	Throughout the year	Was included to the 2016 Work Plan			Secretariat, Coalition	SOFAZ, International Donor organizations		Not completed	Not exist	Raising public awareness about EITI implementation in Azerbaijan, promotion of EITI's general philosophy and Azerbaijan's EITI report, exchange of experiences with other countries
	6.2. Prepare and publish special print materials (brochures, booklets, books)	Throughout the year				Secretariat, Coalition	SOFAZ, International Donor organizations		Completed	Not exist	

	6.3. Place the materials on the website and distribute hard copies	Throughout the year			MSG, Secretariat, Coalition	No funding required		Completed	Not exist	
	6.4. Participate at the EITI events held abroad (conferences, workshops, trainings, exhibitions, exchange programmes, etc.)	Throughout the year			MSG, Secretariat	SOFAZ, International Donor organizations		Completed	Not exist	
	6.5. Regularly upgrade and update the EITI Azerbaijan official website	Throughout the year			Secretariat	No funding required		Completed	Not exist	
	6.6 Conduct round-table discussions and deliver lectures at universities	Throughout the year		October	Coalition, Secretariat	International and Local Donor organizations, Company Group		Completed	Not exist	
	6.7 Conduct round-table discussions in regions, on central and regional TV channels	Throughout the year		April	Coalition, Secretariat	International and Local Donor organizations, Company Group		Completed	Not exist	
7. Improving the MSG's internal management	7.1. Prepare and approve Code of Conduct for the MSG	November of 2015	Was included to the 2016 Work Plan		Coalition, MSG	International and Local Do-		Not completed	Not exist	Improving management, increasing report-

						nor or- ganiza- tions				ing and transpar- ency on MSG's activity
	7.2. Prepare proposals on "Rules on prevention the conflict of interests in the MSG"	December of 2015		Decem- ber 25	MSG	Interna- tional and Local Do- nor or- ganiza- tions		Com- pleted	Not ex- ist	
	7.3. Reporting of the Azer- baijan EITI Secretariat	Regularly		Decem- ber 25	Secretariat	No funding required		Com- pleted	Not ex- ist	

Action Plan on implementation of corrective actions set by the EITI Board to restore Azerbaijan's EITI Compliant status

In its meeting held in April 2015 in Congo Brazzaville the EITI Board designated Azerbaijan as a Candidate country and set corrective actions that need to be addressed in order for Azerbaijan to achieve compliance with the EITI Requirements:

1. In accordance with Requirement 1.3.b-e and the protocol on civil society participation in the EITI, the government and the MSG should ensure that civil society representatives who are substantively involved in the EITI process are able to

a. engage in public debate related to the EITI process and express opinions about the EITI process without restraint, coercion or reprisal.

b. operate freely in relation to the EITI process. This should include ensuring that the civil society MSG members are operationally and in policy terms independent of government and companies. In making this assessment, the Secretariat Review is expected to cite evidence of any civil society constituency discussions or agreed consistency policies related to ensuring policy and operational independence from members of parliament from the ruling party, other political parties aligned with the government, or extractive companies; Evidence that any potential conflict of interests or issues affecting civil society MSG members' independence have been transparently disclosed; and that the details about the articles of association, objectives, work programmes and funding sources of civil society organisations represented on the MSG are transparently disclosed. The government and the MSG should also take steps to ensure that civil society representatives substantively engaged in the EITI process are able to freely access and use funding to carry out their activities, including those of the EITI Coalition. Specifically, the government should ensure that the EITI Coalition and its members and employees are able to access their bank accounts and register new grants for the purpose of activities related to the EITI process and natural resource governance, and any further restrictions on NGO operations in natural resource governance should be avoided.

c. communicate and cooperate with each other regarding the EITI process.

d. be fully, actively and effectively engaged in the design, implementation, monitoring and evaluation of the EITI process. The government and the multi-stakeholder group should take steps to ensure that civil society representatives substantively engaged in the EITI process are able to organise training, meetings and events related to the EITI process and natural resource governance.

e. speak freely on transparency and natural resource governance issues, and ensure that the EITI contributes to public debate. The government and the multi-stakeholder group should take steps to ensure that civil society representatives substantively engaged in the EITI process are able to speak freely about the

EITI process and express views on natural resource governance without fear or threat of reprisal or harassment of civil society members substantively involved in the EITI process. Specifically, the government should ensure that the Coalition is able to freely access space for public events related to the EITI and facilitate public awareness campaigns and debates related to the EITI process and natural resource governance.

2. The MSG should agree a fully costed workplan that sets out objectives for implementation linked to national priorities for the extractive sector (Requirement 1.4.a).

3. In accordance with Requirement 6.1, the MSG must ensure that the 2013 EITI Report contributes to public debate.

4. In accordance with Requirement 7.2.a, future annual activity reports must include an assessment of progress with achieving objectives set out in the workplan, including the impact and outcomes of the stated objectives.

In its meeting in 05 May 2015 MSG tasked the EITI Secretariat to draft Activity Plan for the implementation of corrective actions. After the workshop on “Validation – corrective actions and action steps for the compliant status” held with the participation of the representative of EITI International Secretariat Dyveke Rogan and MSG members the Activity Plan was developed.

Below tables illustrate implementation status of corrective actions in 2015 and 2016.

Implementation status of corrective actions in 2015 April-December

Directions	Events	Responsible parties	Results	Evidences (Progresses, shown below, on activities of NGO Coalition have been achieved during 2015, as a result of the meetings held and discussions done with the World Bank, Multi-donor Trust Fund, the CSSN, relevant state organizations.
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<p>1. Ensuring free participation of the Civil Society within the EITI process.</p>	<p>1.1 Organizing TV debates and discussions.</p>	<p>MSG</p>	<p>During 2015 the NGO Coalition held multiple TV debates and discussions. 4 online TV programs (Economic forum) were dedicated to EITI and natural resource governance (424 views in total). The programs were also broadcasted in regional TV channels of Sumgayit, Ganja and Guba (2.5 mln population) In addition, the members of the Civil Society institutions operating in Azerbaijan, gave interviews, published articles, freely expressed their opinions in blogs and social networks both in and outside of the country. Coalition members, members of local Secretariat, local authorities and representatives of the state organizations were participated in the mentioned events (debates).</p>	<p>TV Debates: Participation and role of the Civil Society in EITI process - https://www.youtube.com/watch?v=f9llm4JFMuY Extractive Industries Transparency Initiative and participation of Azerbaijan - https://www.youtube.com/watch?v=26Yx-plXJbqo 2013 EITI Report: news and results- https://www.youtube.com/watch?v=_nwoFJnO2RY State Oil Fund of the Republic of Azerbaijan - https://www.youtube.com/watch?v=lFF-MiHW11w Sovereign Prosperity Funds - https://www.youtube.com/watch?list=PLk5558GGDuW88vTrk-kPuirm4ed3aj_FvX&v=U2MoipTwZIE</p> <p>DEBATES: On April 17, 2015 the event held by NGO Coalition about "increasing public awareness on EITI" in Neftchala region. State organizations, civil society, companies involved in extractive sector were participating in the event and shared information on EITI activities. Representatives of the local Secretariat and NGO Coalition gave answers to the questions of the civilians. An open debate were held with the citizens about the Companies engagement to the EITI reporting.</p>
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1.2 Organizing a roundtable to present Opinion of NGO Coalition on EITI Report.	Coalition	The roundtable of the presentation EITI NGO Coalition's opinion on the 2013 EITI Report was held by the EITI NGO Coalition with the support of CSSN. The event was held for the representatives of governmental organizations, international organizations, embassies, civil society institutions and mass media	http://eiti-ngo-azerbaijan.org/az/m%C9%99d%C9%99n-s%C9%99nayasind%C9%99-s%C9%99ffafligin-artirilmesi-qht-koalisiyasi-az%C9%99rbaycan-respublikasinin-2013-cu-il-uzr%C9%99-mhst-hesabatina-dair-hazirladigi-r%C9%99yi-ictimaiyy%C9%99t/ http://www.bizim Yol.info/news/66524.html http://modern.az/az/news/89939#gsc.tab=0 http://xeberler.az/new/details/koalisiyanin-umumi-yigincagi-kecirilib--15446.htm https://www.youtube.com/watch?v=hXjmTjImGkU
1.3 Organizing press-conferences	MSG		http://www.eiti.az/index.php/az/senedler/ish-planlari/607-ish-plani-2016 http://www.eiti.az/index.php/en/senedler-2/work-plan-for-implementation-of-eiti
1.4 Preparing short video clips	MSG, Secretariat		

1.5 Holding seminars	MSG, Secretariat	<p>1) The training on improvement of professionalism in filling of EITI reports and increasing of EITI report quality for the members of the Extractive Industries Transparency Initiative (EITI) Memorandum - local and foreign companies operating in mining field was held at SOFAZ. Members of NGO Coalition also participated at the training</p> <p>2) In the framework of “public support for improving transparency in extractive industries” project financially supported by CSSN the EITI NGO Coalition held the workshop on “The compliance of the EITI Report 2013 of Azerbaijan with EITI Standard’s requirements” at SOFAZ. The workshop was organized in order to raise NGO Coalition’s members awareness about EITI implementation in Azerbaijan</p> <p>3) In the framework of “public support for improving transparency in extractive industries” project financially supported by CSSN NGO Coalition held the workshop on “The EITI aim, implementation and use of outcomes” at the Azerbaijan State University of Economics. The workshop aimed to raise awareness of youth on EITI process</p>	<p>http://www.eiti.az/index.php/az/xeber-ler/587:mhst-uezr-coxt-r-fli-qrupun-iclas-ke-cirilmisdir-6</p> <p>http://eiti-ngo-azerbaijan.org/az/neft-fon-dunda-mssa-qht-koalisiyasi-uzvl%C9%99ri-ucun-seminar-kecirilib/</p> <p>http://eiti-ngo-azerbaijan.org/az/mssa-qht-koalisiyasi-iqtisad-universitetind%C9%99-seminar-kecirib/</p>
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	<p>1.6 Holding bilateral meetings with relevant state organizations about blocked bank accounts and various restrictions.</p>	<p>MSG, Secretariat</p>	<p>1) 3 out of 6 frozen bank accounts of Coalition members are unfrozen after negotiations during 2015. Unblocking all frozen accounts of Coalition members was completed in the first half of 2016</p> <p>2) Most criminal cases against NGOs are stopped. Negotiations between the heads of NGOs defending the rights of some activists continue.</p> <p>3) Excluding few cases all limitations to leave the country is lifted. Free entrance and exit were also granted to local office members of international organizations.</p> <p>4) The problem with harsh security checks in the airport for NGO activists is resolved. Only one Coalition member (Zaur Akbar) complained about strict security check at the airport.</p> <p>5) The registration of grant contracts signed in the past years has started. All Coalition member organizations presented their grant contracts and got appropriate notices.</p> <p>6) Inspection by tax and prosecutor members of NGOs were stopped. Confiscated equipments and documents are not returned to some owners. Investigating bodies confirmed that this problem can be resolved. The reason of this situation is that some NGO members are abroad and cannot sign the act.</p> <p>7) Penalties to some NGOs are lifted. Other NGO members noted that even though penalties were not</p>	<p><a .htm"="" href="https://www.meydan.tv/az/site/politics/12893/%C6%8Flim%C9%99mm%C9%99d-Nuriyev%20Koalisiya-%C3%BCzv1%C9%99rinincinay%C9%99t-i%C5%9Fi-v%C9%99-vergi-sanksiyalar%C4%B1-ba%C4%9Flan%C4%B1b">https://www.meydan.tv/az/site/politics/12893/%C6%8Flim%C9%99mm%C9%99d-Nuriyev%20Koalisiya-%C3%BCzv1%C9%99rinincinay%C9%99t-i%C5%9Fi-v%C9%99-vergi-sanksiyalar%C4%B1-ba%C4%9Flan%C4%B1b".htm</p> <p>http://www.con-tact.az/docs/2016/Chetin%20sual/042000153567az.htm#.V3U6BOt96Uk</p> <p>http://teleqraf.com/news/91657</p> <p>http://www.xebersaati.com/8048-elimemmed-nuriyev-qht-nin-vergi-borclari-dayandirilmasibarede-qerar-qebul-edildi-musahibe.html</p>
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		<p>lifted from their bank account, the penalty amount was not charged.</p> <p>8) For ensuring active participation of civil society in EITI CSSN provides NGO Coalition with financial aid. Council covers Coalition’s institutional expenses, including travel costs, costs related to office, conduction of trainings and meetings.</p> <p>In March 2015 CSSN defined “State support to EITI process” as one of the priority directions for the allocation of grants.</p> <p>The participation of 3 Coalition members at Lima Conference was also financially supported by the Council.</p> <p>9) Problem with information update on register is resolved. Information update is completed within 5 days if all required documents are in place.</p>	
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	<p>1.7 Holding wide-range consultations about financial aid opportunities from World Bank, Multi-donor Trust Fund, CSSN, relevant ministries (e.g. Ministry of Youth and Sport).</p>	<p>MSG, Secretariat</p>	<p>The coordinator of NGO Coalition held 8 meetings with the chairman of the EITI Commission and 7 meetings in Presidential Administration. Throughout the year State Support for NGOs allocated grants amounted 193.000 AZN to different projects of the 32 Coalition member organizations.</p> <p>One member organization of the Coalition got a grant for the project related to defense of rights of extractive industry workers from international donor (EEP- European Endowment for Democracy)</p>	<p>http://eiti-ngo-azerbaijan.org/az/az%C9%99rbaycan-prezidenti-yaninda-qeyri-hokum%C9%99t-t%C9%99skilatlarina-qht-dovl%C9%99t-d%C9%99st%C9%99yi-surasinin-s%C9%99dri-mill%C9%99t-v%C9%99kili-azay-quliyevin-musahib%C9%99si/</p>
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	<p>1.8 Ensuring free consultations between Coalition and companies, written correspondence between Coalition and MSG members, meetings with international organizations, participation of each EITI party in Coalition's events</p>	<p>MSG</p>	<p>Members of the NGO Coalition are going on to cooperate with EITI stakeholders and free consultations in MSG meetings, Working Group meetings, events organized by local Secretariat, etc.</p>	<p>http://www.eiti.az/index.php/az/xeberler/587:mhst-uezr-coxt-r-fli-qrupun-iclas-ke-cirilmisdir-6</p> <p>http://www.eiti.az/index.php/az/xeberler/111-mhsht-yenilikler/2016/616-doevl-t-neft-fondunda-mhst-uezr-komissiyani-n-iclas-ke-cirilmisdir-2</p>
<p>2. Tasks to be done for linking objectives of the Work Plan to the national priorities.</p>	<p>2.1 Ensuring to include national priorities to the 2016 Work Plan and to link action steps to these priorities.</p>		<p>Work Plan for 2016 was prepared together with Secretariat and Working Group, discussed in MSG meeting and approved by MSG stakeholders. Based on International Secretariats comments, activity steps of the 2016 Work Plan reflects objectives those are linked to national priorities.</p>	<p>http://www.eiti.az/index.php/az/senedler/ish-planlari/607-ish-plani-2016</p> <p>http://www.eiti.az/index.php/en/senedler-2/work-plan-for-implementation-of-eiti</p>

3. Tasks to be done for the contribution of EITI Report for the public discussions.	3.1 Ensuring the preparation and distribution of hard-copies of EITI Report.	MSG, Secretariat	2013 EITI Report was actively disseminated among population by mainly on-line sources (web-sites of the Azerbaijan EITI, State Oil Fund and NGO Coalition). Hard copies of the reports were distributed among civil society members and local communities through NGOs. The reports of the government for 2013 and 2014 were published in the state newspapers.	
	3.2 Publication of EITI Report on website.	Secretariat	The Azerbaijani and English versions of the 2013 and 2014 EITI Report were placed in EITI Azerbaijan official website. Public was informed about the availability of reports through state newspaper and press-releases.	http://www.eiti.az/index.php/az/hesabatlar
	3.3 Making EITI Report easily graspable and using an appropriate language	MSG, Auditor	IA and Working Group worked a lot for producing comprehensible and easily graspable EITI reports. Recommendations of the NGO Coalition on restructuring the report were also reviewed in the course of work. The preparation of the summary report of the 2014 EITI Report was substantially finalized in 2015 and the report was printed in 2016. Secretariat has been preparing electronic data files in excel spreadsheets and placing them at www.eiti.az starting from 2013 EITI Report	http://www.eiti.az/index.php/az/hesabatlar/2014

<p>3.4 Ensuring that EITI Reports contribute to public debate and raise awareness through events organized by government, civil society and companies.</p>	<p>MSG</p>	<p>1) The Coalition of Azerbaijan Non-government Organizations for “Improving Transparency in Extractive Industries” (NGO Coalition) held roundtables in regions supported by the World Bank and State Oil Fund of the Republic of Azerbaijan (SOFAZ) in Shirvan, Neftchala and Gadabay. The current events were held in order to inform and increase awareness of citizens, representatives of Civil Society and local authorities and communities</p> <p>2) In the framework of “public support for improving transparency in extractive industries” project financially supported by CSSN the EITI NGO Coalition held public debates on “The EITI aim, implementation and the use of outcomes” in Siyazan and Salyan</p> <p>3) In the framework of “public support for improving transparency in extractive industries” project financially supported by CSSN the EITI NGO Coalition held the workshop on “The compliance of the EITI Report 2013 of Azerbaijan with EITI Standard’s requirements” at SOFAZ. The workshop was organized in order to raise NGO Coalition’s members’ awareness about EITI implementation in Azerbaijan. 30 Coalition members participated in the workshop.</p>	<p>http://eiti-ngo-azerbaijan.org/az/m%C9%99d%C9%99n-s%C9%99nayesind%C9%99-s%C9%99ffafligin-artirilmesi-koalisiyasi-g%C9%99d%C9%99b%C9%99y-s%C9%99h%C9%99rind%C9%99-t%C9%99lim-kecirib/</p> <p>http://eiti-ngo-azerbaijan.org/az/m%C9%99d%C9%99n-s%C9%99nayesind%C9%99-s%C9%99ffafligin-artirilmesi-koalisiyasi-neftcalas%C9%99h%C9%99rind%C9%99-t%C9%99lim-kecirib/</p> <p>http://eiti-ngo-azerbaijan.org/az/m%C9%99d%C9%99n-s%C9%99nayesind%C9%99-s%C9%99ffafligin-artirilmesi-koalisiyasi-sirvan-s%C9%99h%C9%99rind%C9%99-t%C9%99lim-kecirib/</p> <p>http://eiti-ngo-azerbaijan.org/az/mssa-koalisiyasi-siy%C9%99z%C9%99n-v%C9%99-salyanda-ictimai-muzakir%C9%99-kecirib/</p> <p>http://eiti-ngo-azerbaijan.org/az/neft-fondunda-mssa-qht-koalisiyasi-uzvl%C9%99ri-ucun-seminar-kecirilib/</p>
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	3.5 Press conference related to the 2013 and 2014 EITI Reports	MSG, Secretariat	According to the 2016 Work Plan, holding the press conference on 2013 and 2014 EITI Report is planned for July 2016.	http://www.eiti.az/index.php/az/senedler/ish-planlari/607-ish-plani-2016 http://www.eiti.az/index.php/en/senedler-2/work-plan-for-implementation-of-eiti
4. Tasks to be done for the annual activity report.	4.1 2016 annual activity reports must include an assessment of progress with achieving objectives set out in the work-plan, including the impact and outcomes of the stated objectives.	MSG, Secretariat	Note: Annual Activity Report will be disclosed by 1 July 2016 according to EITI Standard.	

Implementation status of corrective actions in 2016 January-July (activities that fulfilled after the reporting period)

Directions	Events	Responsible parties	Results	<p style="text-align: center;">Evidences</p> <p style="text-align: center;">(Progresses, shown below, on activities of NGO Coalition have been achieved during 2015, as a result of the meetings held and discussions done with the World Bank, Multi-donor Trust Fund, CSSN, relevant state organizations.</p>

<p>1. Ensuring free participation of the Civil Society within the EITI process.</p>	<p>1.1 Organizing TV debates and discussions.</p>	<p>MSG</p>	<p>During 2016 the NGO Coalition held multiple TV debates and discussions. In addition, the members of the Civil Society institutions operating in Azerbaijan, gave interviews, published articles, freely expressed their opinions in blogs and social networks both in and outside of the country. Coalition members, members of local Secretariat, local authorities and representatives of the state organizations were participated in the mentioned events (debates).</p>	<p>TV Debates: Zaur Əkbər - https://www.youtube.com/watch?v=DfolJPuiweI</p>
	<p>1.2 Organizing a roundtable to present Opinion of NGO Coalition on EITI Report.</p>	<p>Coalition</p>	<p>The opinion published on the NGO Coalition's website. Roundtable to be held in the course of the year.</p>	<p>http://eiti-ngo-azerbaijan.org/wp-content/uploads/2012/10/Coalition-Review-to-2014-Report-EITI.pdf</p>

1.3 Organizing press-conferences	MSG	Not executed	
1.4 Preparing short video clips	MSG, Secretariat	This issues was discussed with related companies. Not executed by reason of too high prices. This action step will be considered.	
1.5 Holding seminars	MSG, Secretariat	On June 9 2016 seminar on EITI implementation were held in Mingachevir and Tartar. The events were conducted with the financial support of CSSN in the framework of the project “EITI Awareness raising in regions”	http://eiti-ngo-azerbaijan.org/az/m%C9%99d%C9%99n-hasilatinda-s%C9%99ffafliq-t%C9%99s%C9%99bbusu-il%C9%99-bagli-ming%C9%99cevir-v%C9%99-t%C9%99rt%C9%99rd%C9%99-seminar-ke-cirilib/

	<p>1.6 Holding bilateral meetings with relevant state organizations about blocked bank accounts and various restrictions.</p>	<p>MSG, Secretariat</p>	<p>In general, CSSN financed 34 projects of 33 member organizations of Coalition and allocated 314000 AZN in total.</p> <p>6 project proposals bided in the competition announced by the Council and all of them were financed (62.500 AZN)</p> <p>Council also determined “Initiatives on promoting open government and increasing transparency in extractive sectors” as one of the priority directions for the second competition.</p>	<p>https://www.meydan.tv/az/site/politics/12893/%C6%8Flim%C9%99mm%C9%99d-Nuriyev"Koalisiya-%C3%BCzv1%C9%99rinincinay%C9%99t-i%C5%9Fi-v%C9%99-vergi-sanksiyalar%C4%B1-ba%C4%9Flan%C4%B1b".htm</p> <p>http://www.con-tact.az/docs/2016/Chetin%20sual/042000153567az.htm#.V3U6BOt96Uk</p> <p>http://teleqraf.com/news/91657</p> <p>http://www.xebersaati.com/8048-elimemmed-nuriyev-qht-nin-vergi-borclari-dayandirilmasibarede-qerar-qebul-edildi-musahibe.html</p>
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	<p>1.7 Holding wide-range consultations about financial aid opportunities from World Bank, Multi-donor Trust Fund, CSSN, relevant ministeries (e.g. Ministry of Youth and Sport).</p>	<p>MSG, Secretariat</p>	<p>Organization of General Assembly meetings of the NGO Coalition is financed by CSSN. (7500AZN) Council also provides financial assistance on institutional expenditures of Coalition (15000 AZN)</p>	<p>http://qhtxeber.az/news/a-56129.html</p>
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	<p>1.8 Ensuring free consultations between Coalition and companies, written correspondence between Coalition and MSG members, meetings with international organizations, participation of each EITI party in Coalition's events</p>	<p>MSG</p>	<p>Members of the NGO Coalition are going on to cooperate with EITI stakeholders and free consultations in MSG meetings, Working Group meetings, events organized by local Secretariat, etc. Coalition members participated at 3 MSG meeting and 1 Working Group meeting.</p>	<p>http://www.eiti.az/index.php/az/xeberler/111-mhsht-yenilikler/2016/621-doevl-t-neft-fon-dunda-mhst-uezr-komissiyan-n-iclas-ke-cirilmisdir-3 http://www.eiti.az/index.php/az/xeberler/111-mhsht-yenilikler/2016/616-doevl-t-neft-fon-dunda-mhst-uezr-komissiyan-n-iclas-ke-cirilmisdir-2</p>
<p>2. Tasks to be done for linking objectives of the Work Plan to the national priorities.</p>	<p>2.1 Ensuring to include national priorities to the 2016 Work Plan and to link action steps to these priorities.</p>		<p>The Annual Work Plan was published on January, 2016. Action Steps are linked to national priorities.</p>	<p>http://www.eiti.az/index.php/en/senedler-2/work-plan-for-implementation-of-eiti</p>

3. Tasks to be done for the contribution of EITI Report for the public discussions.	3.1 Ensuring the preparation and distribution of hard-copies of EITI Report.	MSG, Secretariat	Professionally designed hard copies of 2013 EITI Report was actively disseminated among civil society members and local communities through NGOs.	
	3.2 Publication of EITI Report on website.	Secretariat	2014 EITI report was published on January, 2016.	http://www.eiti.az/index.php/en/reports/2014
	3.3 Making EITI Report easily graspable and using an appropriate language	MSG, Auditor	2014 Summary Report was prepared in order to be graspable for citizens.	http://www.eiti.az/index.php/en/reports/2014

	3.4 Ensuring that EITI Reports contributes to public debate and raise awareness through events organized by government, civil society and companies.	MSG	Events are planned for 2016	
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	3.5 Press conference related to the 2013 and 2014 EITI Reports	MSG, Secretariat	According to the 2016 Work Plan, holding the press conference on 2013 and 2014 EITI Report is planned for 2016 (shifted to July).	http://www.eiti.az/index.php/az/senedler/ish-planlari/607-ish-plani-2016 http://www.eiti.az/index.php/en/senedler-2/work-plan-for-implementation-of-eiti
4. Tasks to be done for the annual activity report.	4.1 2016 annual activity reports must include an assessment of progress with achieving objectives set out in the work plan, including the impact and outcomes of the stated objectives.	MSG, Secretariat	2015 EITI Progress Report was published on July 1, 2016	http://www.eiti.az/index.php/en/reports/2015