

# Panel II: The role of civil society in facing the challenges brought about by promoting revenue transparency

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# Current country conditions – positive

- Azerbaijan is part of EITI
- Coalition of local and international NGOs monitoring State Oil Fund Revenues
- Recommendations of international financial organizations to the Azerbaijan government are on-going and consistent
- June 2007 - SOFAR received UN Public Service Award
- EITI as a positive experience for Azerbaijan but limited to monitoring of oil revenues

# UN Public Service Award



# Current country conditions – negative

- Drawbacks of the functional activities of the public institutions
- General indifference of society to the revenue and budgetary process
- Poor state of the main principles of the good governance:
  - reporting, accountability and transparency
- Substantial oil revenues create the syndrome of “extravagance” both with the society and the government

# Weaknesses of the Civil Society in Azerbaijan

- Lack of confidence between representatives of the civil society and various public agencies
- Lack of faith into the power of the civil society with the population at large
- Low degree of knowledge and capabilities of the civil society
- Lack of experience in organizing public pressure
- Lack of encouragement of the international organizations to the civil society to ensure transparency, including within their own ranks

# Challenges for the Azerbaijan civil society

- Work to overcome general indifference of society to the revenue and budgetary process
- Lobby for improvement of the poor state of the main principles of the good governance:
  - reporting, accountability and transparency
- Warn the society and the government of the syndrome of extravagance generated by the substantial oil revenues
- Increase confidence between representatives of the civil society and various public agencies
- Ensure insitutional developmetn of civial society organizations
- Involve donor support to transparency initiatives

# Challenges for the Government

- Within EITI create conditions for public monitoring of the SOFAR expenditures in addition to revenues
- Create conditions for budget monitoring both on revenues and expenditures sides

# Message for near perspective

- Transparency shall be not only will of the society, but its demand
- Activeness and readiness: NGOs have to play an assistance role in increasing transparency
- Message to the society : “We will not become rich because of our revenues, but because of the correct management of our expends