

Approved at the TA Board meeting

of May 25, 2001

Transparency Azerbaijan

CODE OF CONDUCT

Conflict of Interest Policy

Need for Policy

Transparency Azerbaijan's ability to raise the ethical standards of government officials and businessmen will be severely compromised by any ethical lapses on the part of its staff. It is essential that everyone associated with TA be sensitive to potential conflicts of interest.

Principles of Administration

1. Potential conflicts of interest should be identified and reported as early as possible. If problems are identified before commitments are made or questionable actions have occurred, embarrassment can be avoided and alternatives can be explored.

2 The evaluation of conflicts of interest must be made by disinterested individuals. Conflicts may be waivable, but that can only be done by disinterested individuals.

Individuals with Other Affiliations

Much of TA's work is done by individuals who are not employees of TA. This includes, among others, the members of the Board of Directors. Such individuals will in most cases have other business and professional affiliations. Companies or other organizations with which such individuals are affiliated should not be disqualified from working for TA

otherwise participating in projects in which TA and TI are involved. However, such companies or organizations should not be given an "inside track" with respect to such work. Such situations must be reviewed on a case-by-case basis so that equitable ground rules can be developed.

Gifts and Entertainment

No one connected with TA shall accept gifts, entertainment, loans or anything else of value from any organization or individual, if a reasonable person might fairly perceive the offer of any of the foregoing as an attempt to influence TA.

Reporting of Conflicts of Interests.

Every person connected with TA has an obligation to report any actual or potential conflict of interest as soon as he/she becomes aware of any circumstances which may give rise to a conflict of interest. Such reports should be made to the Chairman of TA, or another senior disinterested officer or director.

Ethics Committee.

In the most complicated cases ethical issues shall be forwarded to the consideration of the TI Ethics Committee by the TA Chairman of the Board.