



Azii 1920 || Azerbaijan State Oil & Industry University

## ASOIU Sustainability Policy on Donations and Funding

### 1. Purpose

Azerbaijan State Oil and Industry University (ASOIU), established in 1920, is the oldest technical higher education institution in Azerbaijan and is recognized for its pivotal role in educating specialists for the oil, gas, and energy sectors. As the institution transitions toward more diverse, sustainable, and innovative fields, **this policy** ensures that **all donations and funding** accepted by ASOIU align with both the **university's long-term sustainability objectives** and the **Republic of Azerbaijan's** national commitments, including those set forth under the **Paris Agreement** and the **2030 Agenda for Sustainable Development**.

### 2. Scope

This policy applies to:

- All philanthropic gifts, grants, and sponsorships to ASOIU from individuals, corporations, public agencies, or other entities
- All ASOIU departments, centers, and committees involved in soliciting, accepting, or managing donations or funding

### 3. Guiding Principles

## 1. Alignment with National & Institutional Goals

- ASOIU pledges to support the strategic objectives of the Republic of Azerbaijan, including commitments to **reduce greenhouse gas emissions** (as per Azerbaijan's Nationally Determined Contribution to the Paris Agreement) and to advance the country's efforts under the **UN Sustainable Development Goals (SDGs)**.
- Donations should enhance ASOIU's focus on **responsible energy production, renewable technologies, and environmental stewardship**, reflecting both the university's legacy in the energy sector and its evolving role as a leader in sustainability.

## 2. Ethical & Legal Compliance

- All donations must comply with the **Civil Code of the Republic of Azerbaijan** and other relevant national legislation, including laws overseen by the **Ministry of Science and Education** and the **Ministry of Ecology and Natural Resources**.
- Funding must not conflict with ASOIU's core values or any **anti-corruption** and **anti-bribery** regulations in Azerbaijan.

## 3. Transparency & Accountability

- ASOIU is committed to clear, accessible reporting on the sources and uses of donated funds.
- Regular updates will be provided to stakeholders via publicly available reports, in line with the **State Program on Increasing Transparency and Accountability**.

## 4. Environmental Responsibility

- The university prioritizes funds that support **green infrastructure, energy efficiency, and research on climate-resilient technologies**, reflecting Azerbaijan's national drive to diversify its economy beyond hydrocarbons.
- ASOIU also encourages projects that promote efficient water usage, waste reduction, and other sustainable resource management practices relevant to the local context.

## 5. Social Equity & Community Engagement

- Donations should help advance equitable access to higher education, especially for underrepresented groups in Azerbaijan.

- ASOIU seeks to strengthen ties with local communities, fostering social well-being and inclusive growth in Baku and across Azerbaijan.

## 6. Long-Term Impact

- The university favors donations that provide lasting value to students, faculty, and the broader community, rather than short-term gains.
- Partnerships should bolster ASOIU's reputation as a forward-thinking, **innovation-driven** institution in the Caucasus region.

---

## 4. Policy Guidelines

### 4.1 Acceptance of Donations

#### 1. Initial Review

- All proposed donations undergo a preliminary review by the **ASOIU Development Office** in consultation with the **Sustainability Office** to ensure alignment with this policy and the **Azerbaijani legal framework**.

#### 2. Due Diligence

- Potential donors will be evaluated for ethical and environmental compliance (e.g., no major violations related to pollution, labor rights, or corruption).

#### 3. Conflict of Interest

- ASOIU reserves the right to decline donations that could create conflicts of interest, undermine academic freedom, or harm the university's reputation within Azerbaijan or internationally.

### 4.2 Restricted vs. Unrestricted Funds

#### 1. Restricted Funds

- Donors may designate funds for specific programs—such as research in **renewable energy, petrochemical innovation, campus greening initiatives, or student scholarships**.
- Such allocations must still comply with the university's sustainability framework and national education standards.

#### 2. Unrestricted Funds

- ASOIU may allocate unrestricted donations to priority needs, including **sustainable campus improvements** or **faculty development** in advanced technologies. All usage will be reported in alignment with ASOIU's transparency commitments.

#### 4.3 Funding Utilization

##### 1. Priority Areas

- Projects fostering **clean energy research, carbon capture and storage, environmental policy, smart city initiatives**, and similar topics that align with Azerbaijan's strategic transition goals will be prioritized.

##### 2. Monitoring and Evaluation

- The **ASOIU Sustainability Office** will establish Key Performance Indicators (KPIs) and conduct periodic reviews to track environmental and social impacts, ensuring donor funds drive meaningful progress.

#### 4.4 Donation Agreements

##### 1. Written Agreement

- All donations above a certain threshold require a formal agreement specifying the donation amount, the intended purpose, reporting obligations, and duration.

##### 2. Exit Clauses

- ASOIU retains the right to terminate an agreement if the donor's actions contradict Azerbaijani law or ethical standards, or conflict with the university's sustainability objectives.

---

#### 5. Roles & Responsibilities

##### 1. ASOIU Rector / Board of Trustees

- Approves and oversees major donations.
- Ensures alignment with the **State Oil Fund (SOFAZ)** regulations where applicable and other national development programs.

##### 2. Development / Advancement Office

- Conducts due diligence on donors and drafts formal agreements in line with this policy.

- Coordinates with the **Finance Department** to ensure transparent record-keeping and reporting.

### 3. **Sustainability Office / Committee**

- Reviews potential funding opportunities for alignment with **Azerbaijan's sustainable development goals** and ASOIU's ESG commitments.
- Monitors ongoing funded projects for compliance and impact.

### 4. **Finance Department**

- Maintains financial transparency and legal compliance under the **Civil Code of the Republic of Azerbaijan**.
- Reports financial transactions in accordance with national and international accounting standards.

### 5. **Legal Counsel**

- Provides legal advice on donation agreements, ensuring adherence to **Azerbaijani legislation** and internal ASOIU policies.
- Identifies potential reputational or regulatory risks.

---

## 6. **Reporting & Transparency**

### 1. **Annual Sustainability Report**

- ASOIU will publish an **Annual Sustainability Report** detailing the funding sources, amounts, and the impact on the university's educational and research goals.
- The report will reflect **Azerbaijan's environmental, social, and economic indicators**, offering insights into how ASOIU-funded projects contribute to national priorities.

### 2. **Public Disclosure**

- Major donors will be acknowledged on ASOIU's official website and in public communications, unless anonymity is requested and does not conflict with transparency obligations.
  - Summaries of major funded projects will be periodically updated to keep the campus community and general public informed.
-

## 7. Compliance & Review

### 1. Compliance

- All ASOIU personnel—faculty, staff, and administration—must abide by this policy when dealing with donors or potential funding sources.
- Any breach of the policy or relevant Azerbaijani law may result in disciplinary measures, up to and including termination of employment or the return of donations.

### 2. Policy Review

- This policy will be reviewed every **two years** or as required to align with changes in national legislation, university strategic plans, and global best practices in sustainability.

---

## 8. Amendments

Any changes, additions, or exceptions to this policy must be formally approved by the **ASOIU Rector** and/or the **Board of Trustees**. Revisions will be communicated promptly to all relevant stakeholders.

---

### Policy Effective Date

[Date policy goes into effect]

### Policy Owner

[Name/Title/Department (e.g., ASOIU Sustainability Office)]

### Signature & Approval:

---

### Rector / Board Representative

Date

---

### Implementation Notes & Azerbaijani Context

- **Alignment with Government Initiatives:** Azerbaijan has committed to significant social and economic reforms, aiming to diversify beyond oil exports and foster a knowledge-based economy. This policy supports that vision by

encouraging responsible, innovative funding that drives local and regional sustainability.

- **Cooperation with SOCAR and Local Stakeholders:** Given ASOIU's historical relationship with the State Oil Company of Azerbaijan Republic (SOCAR), all donations from energy-sector partners must also adhere to stringent sustainability, transparency, and anti-corruption measures, reflecting national reform efforts.
- **Training & Capacity Building:** Ongoing professional development for staff and faculty ensures a robust understanding of Azerbaijan's evolving **environmental and educational regulations**, enabling ASOIU to remain a leader in sustainable engineering and research.