



# Georgian Oil and Gas Corporation



Country: **Georgia**



Website



BHRRC company page

## Summary

Georgian Oil and Gas Corporation (GOGC), Georgia's state-owned oil enterprise, has faced the following allegations:

### ➔ Access to Information:

Although GOGC is a state-owned enterprise, Georgians can only access limited information about the corporation's activities and deals.

### ➔ Connection to SOCAR and

#### Attacks on Human Rights Defenders:

GOGC is intimately connected to the State Oil Company of the Azerbaijan Republic (SOCAR). SOCAR has been accused of harassing journalists and human rights defenders in Georgia, including Afgan Mukhtarli, who was abducted off the streets of Georgia's capital. Within Azerbaijan, SOCAR has faced a number of allegations around human rights abuses.

GOGC's website features two webpages related to the environment and to health and safety. The company did not respond to our questionnaire on its human rights policies and commitments.

## Human Rights Commitments

- ⊕ [Statement on Health and Safety](#)
- ⊕ [Environmental Policy and environmental impact assessments](#)
- ⊖ The company **did not respond** to our questionnaire on its human rights policies and commitments

## Human Rights Impacts

- ⚠ Access to information
- ⚠ Abuses related to supply chain and business partners

## Company Information

GOGC is Georgia's state-owned oil enterprise. GOGC oversees production-sharing agreements with investors, and it owns the main gas pipeline system of Georgia. GOGC is managed by the Ministry of Economy and Sustainable Development of Georgia. GOGC includes GOGC Trading which is a Swiss-based subsidiary that focuses on sales, trade and logistics.<sup>↗</sup>

Since 2018, GOGC has been in conflict with Frontera Resources over Frontera's contractual obligations and use of land. (See our profile on [Frontera Resources Georgia](#) for more information.)

According to GOGC, key partners include SOCAR, Shah-Deniz Consortium, BP, BOTAS, ROMGAZ, MVM, PERN, UkrTransnafta, ArmGazprom, GAZPROM, TCC, GEOSTOCK as well as RAMBOLL. Financial partners and investors include KfW (a German state-owned development bank), the United States Agency for International Development (USAID), the Asian Development Bank (ADB), Millennium Challenge Corporation (a U.S. foreign aid agency) along with Sinosure (China Export and Credit Insurance Corporation).<sup>↗</sup>

In July 2020, the European Bank for Reconstruction and Development (EBRD) approved a loan to help GOGC address the COVID-19 pandemic and the related economic downturn. The package includes improvements that focused on corporate governance, climate change and support for women in technical positions. An environmental and social action plan was developed as part of the deal, and the company agreed to "develop measures at the corporate level to manage the environmental and social risks associated with its business activity." Additionally, GOGC agreed to create a stakeholder engagement plan, to develop information dissemination procedures and to review benefit sharing mechanisms.<sup>↗</sup>

Critics have questioned the appointment of politically connected individuals to leadership positions within GOGC; for instance, in November 2012, two donors to the, at the time, ruling Georgian Dream Party were selected for leadership roles.<sup>↗</sup>

## Human Rights Allegations

### Access to Information

Although GOGC is a state-owned enterprise, Georgians can only access limited information about the corporation's activities and deals. Critics have derided the lack of access to information. Moreover, some critics have called the agency's spending into question.<sup>↗</sup> According to Transparency International, "GOGC is a legal entity of private law and therefore is not obligated to disclose public information." Since it is a state-owned enterprise, information related to procurement is available at the State Procurement Agency website.<sup>↗</sup> However, not much other information is publicly available, despite state ownership.

### Connection to SOCAR and Attacks on Human Rights Defenders

GOGC is intimately connected to the State Oil Company of the Azerbaijan Republic (SOCAR). According to openDemocracy, SOCAR provides 99% of Georgia's natural gas, and GOGC has maintained close ties to the company.<sup>↗</sup>

Within Azerbaijan, the SOCAR has faced allegations of discrimination; health and safety violations; infringements on labour rights; environmental degradation and related health impacts; and attacks on human rights defenders.<sup>↗</sup> As the state-owned oil company, the SOCAR is closely connected to the Azerbaijan Government which has a history of persecuting critics and dissidents, of restricting freedom of assembly and expression as well as of failing to investigate allegations of torture and ill-treatment.<sup>↗</sup>

Also, the SOCAR has been accused of harassing journalists and human rights defenders in Georgia. Vidadi Isgenderli, a human rights advocate and former parliamentary candidate, fled from Azerbaijan to Georgia after years of harassment by the Azerbaijani Government. He continued to face threats and harassment in Tbilisi, and he stated that he believed the perpetrators were connected to the SOCAR.<sup>2</sup>

Afgan Mukhtarli, an investigative journalist who exposed corruption, left Azerbaijan due to government threats and harassment.<sup>2</sup> He continued his work in Georgia until 2017, when he was abducted at the streets of Tbilisi, forced into a car and driven to a prison in Azerbaijan.<sup>2</sup> Mukhtarli had been investigating topics related to the SOCAR when he was abducted. According to Mukhtarli's wife, Leyla Mustafayeva, "Afgan told me that the Security Committee of Azerbaijan had replaced their employees in the Georgian branch of SOCAR and that they had been told to stalk activists and journalists in Tbilisi, collect information about the places that they visited, and identify the people who they were meeting."<sup>2</sup> Some Azerbaijani exiles in Georgia accused the SOCAR of participating in or orchestrating the kidnapping.<sup>2</sup>

## Human Rights Commitments

GOGC's website features two relevant pages:

- ➔ [Statement on Health and Safety](#)
- ➔ [Environmental Policy and environmental impact assessments](#)

According to the Statement on Health and Safety, "GOGC defines the principles of preventive measures in this field related to issues of labor safety at the workplace, existing and potential threats, prevention of accidents and occupational diseases, skill improvement and permanently raising of awareness of the employees." The company emphasises that all employees are obliged to "pay particular attention" to rules and legislation related to health and labour safety.

The company says that its goal "is to minimize the negative environmental impact," and, therefore, it "permanently focuses on improvement of its own environmental policy." The company says it constantly updates procedures and plans to introduce modern standards. Their Environmental Policy "implies a justified and sustainable development in terms of environmental protection." GOGC says it follows Georgian legislation including through conducting environmental impact assessments and designing impact mitigation plans.

Additionally, the Environmental Policy states all construction contractors and subcontractors are obliged to comply with the environmental standards of GOGC and Georgian legislation.

GOGC did not respond to our questionnaire on its human rights policies and commitments.