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ECONOMIC NEWS BULLETIN

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TRANSPORT

Azerbaijan National Confederation of Entrepreneurs, Chinese Council for Promotion of International Trade sign MoU



The Azerbaijan National Confederation of Entrepreneurs and the China Council for the Promotion

of International Trade (CCPIT) have signed a memorandum of understanding.

The document was signed as a part of CCPIT Yunnan Sub-Council and China Chamber of International Commerce (CCOIC) delegations' working visit to Azerbaijan.

By Azerbaijani side, the document was signed by President of the Azerbaijan National Confederation of Entrepreneurs' (Employers) Organizations Mammad Musayev.

The CCPIT Yunnan Council, ever since its founding in 1952, has accorded its mission to serve the government and enterprises, and promoting international trade, introduction of foreign investment, internationalized management of enterprises and economic cooperation. It aims to orient to the strategic

pivot of foreign trade and economic cooperation of Yunnan Province, to target at small and medium and civilian-run enterprises with a regional focus on Southeast and South Asia. As of the end of 2014, CCPIT Yunnan Council has established long-term cooperative ties with the national chambers of commerce in more than 70 countries and mobilized approximately 3,000 enterprises of Yunnan province to hold or participate in exhibitions, conduct training and study tours in more than 80 countries and regions worldwide.

OIL & GAZ

SOCAR, Turkish Petroleum discuss opportunities for expanding cooperation



Azerbaijan's state oil company SOCAR and Turkish Petroleum company (Türkiye Petrolleri) discussed the possibilities to expand cooperation between the two companies, as SOCAR President Rovnag Abdullayev met the Chairman of Board and

Director General of Turkish Petroleum company Melih Han Bilgin.

Addressing the meeting, Rovnag Abdullayev said that relations between the two brotherly countries are intensively developing. He emphasized that TPAO, one of the first foreign investors in Azerbaijan, has been successfully cooperating with SOCAR for long-term projects such as Azeri-Chirag-Gunashli, Shah Deniz, Baku-Tbilisi-Ceyhan.

Speaking about the multi-faceted activities of SOCAR, Rovnag Abdullayev said that along with Azerbaijan, the company has been implementing major projects in various promising foreign markets, including in Turkey.

Such big projects as the Trans Anatolian Natural Gas Pipeline (TANAP), STAR refinery, will be implemented in the coming months. TANAP, STAR refinery will be put into operation next year, which will have a positive impact on the income of Azerbaijan and Turkey.

In turn, Bilgin stressed the existence of great prospects for expansion of cooperation. He stressed that the participation of Turkish companies in the projects being implemented in Azerbaijan and the participation of Azerbaijani companies in Turkish projects play a very important role for the economies of both countries.

First gas on TANAP pipeline will be delivered to Turkey by July 1, 2018, Saltuk Duzyol



“The Trans-Anatolian Pipeline (TANAP) project which aims to transport Azerbaijani gas to Turkey and then to Europe, will see the

first test gas pumped into the pipeline by July 1, 2018,” General Manager of TANAP Project Saltuk Duzyol has told.

He said that the first natural gas will start to be delivered for testing and preparation for commissioning within the framework of the Phase-0 throughout January, 2018.

The aim of the TANAP Project is to bring natural gas produced from Azerbaijan’s Shah Deniz-2 gas field, and other areas of the

Caspian Sea, primarily to Turkey, but also on to Europe. The TANAP Project, along with the South Caucasus Pipeline (SCP) and the Trans-Adriatic Pipeline (TAP) form the elements of the Southern Gas Corridor. The 1,850 kilometer TANAP will run from the Turkish border with Georgia, beginning in the Turkish village of Türkgözü in the Posof district of Ardahan, will run through 20 provinces until it ends at the Greek border in the Ipsala district of Edirne. From this point, the TAP Pipeline will connect to convey natural gas to European nations.

Azerbaijan, Kazakhstan set to create working groups to transport Kazakh oil and gas via Azerbaijan



Azerbaijan and Kazakhstan are setting up two working groups to ensure transportation of Kazakh oil and gas to world markets via Azerbaijan, Minister

of Energy of Kazakhstan, co-chairman of the Azerbaijan-Kazakhstan intergovernmental commission on economic cooperation Kanat Bozumbayev has told journalists in Baku following the 14th session of the intergovernmental commission.

“The volumes of Kazakh gas production will increase and Azerbaijan is considered as an export route. As one of the options, we are considering the construction of an LNG plant in the west of Kazakhstan, with the subsequent transportation of goods through Azerbaijan to the world markets,” Bozumbayev said.

The minister pointed out that Kazakhstan and Azerbaijan agreed to establish an ad-hoc working group, which will study the viability of the project.

Bozumbayev said that the second working group will study the competitiveness of transportation of Kazakh oil through Azerbaijan.

Azerbaijan, Saudi Arabia discuss ways of expanding energy cooperation



Azerbaijan and Saudi Arabia have discussed the ways of expanding energy cooperation as

Minister of Energy Parviz Shahbazov met with President of the OPEC Conference, Minister of Energy, Industry and Natural Resources of Saudi Arabia Khalid Abdulaziz Al-Falih on the sidelines of the 3rd OPEC and non-OPEC ministerial meeting in the Austrian capital of Vienna.

They discussed results of the agreement on reduction of oil production, current situation in the oil market as well as cooperation within Azerbaijan OPEC + deal.

Al-Falih stressed the successful cooperation between the OPEC and non-OPEC nations. He touched on oil position in the global energy balance. "In spite of the strengthening of the new tendencies in the energy sector, the oil will remain a priority type of fuel for a long time," Al-Falih noted. He said that Saudi Arabia is interested in cooperating with Azerbaijan in petrochemical and oil processing industry.

FINANCE

World Bank representative: Azerbaijan's economy is constantly developing



'Azerbaijan's economy is constantly developing', said Keiko Honda, Executive Vice President, Multilateral Investment

Guarantee Agency (MIGA) of the World Bank Group as the delegation led by him met the Minister of Finance of Azerbaijan Samir Sharifov as part of their visit to Baku.

According to the Ministry of Finance, the meeting hailed World Bank Group's support to economic reforms in Azerbaijan, stressing successful cooperation of the Multilateral Investment Guarantee Agency with Azerbaijan, as well as support to a number of important investment projects implemented in the country also the Southern Gas Corridor.

At the meeting, Keiko Honda also expressed his confidence that cooperation with the Multilateral Investment Guarantee Agency, as reliable partners, would continue successfully.

EBRD hails Azerbaijani government's efforts to restructure largest bank, IBA



The European Bank for Reconstruction and Development (EBRD) has commended the

government of Azerbaijan for its efforts to restructure the International Bank of Azerbaijan.

In its Transition Report 2017-18: Sustaining Growth, the EBRD said: "In Azerbaijan, authorities have made progress with the restructuring of the country's largest bank, IBA, in preparation for its eventual privatisation."

The EBRD says it has seen a welcome upturn in the pace of reform in emerging economies where the Bank invests, four years after reporting that reforms were stalling or even being thrown into reverse.

In the Transition Report 2017-18: Sustaining Growth, the EBRD documents both progress and setbacks in reforms from the past year and sees many remaining challenges.

Samir Sharifov: exchange rate of manat stabilized



Exchange rate of the national currency of Azerbaijan stabilized, said Finance Minister Samir Sharifov.

The minister stressed that at the beginning of the year, the manat was growing even stronger, saying that compared to the beginning of the year, this difference was about 3.4 percent. This is also indicative of the gradual restoration of trust in the manat, Samir Sharifov added.

BUSINESS

Russian Export Center opens Baku office



The office of the Russian Export Center (REC) has opened in the “White City” Business Center in Baku.

Speaking to the opening ceremony, Azerbaijan’s minister of economy Shahin Mustafayev underlined that Russia is one of the main foreign trade partners of Azerbaijan. He noted that relations with Russia are dynamically developing in all fields. The minister hailed economic relations, increase in trade and reciprocal investment by the two countries.

Russia’s minister of economic development Maksim Oreshkin said that the office of the Russian Export Center will support Russian exporters.

CEO of the Russian Export Center Peter Fradkov underlined that the opening of the office will be a powerful boost to trade between the two countries. “REC will give impetus to the Russian companies engaged in the non-oil sector to enter the Azerbaijani market.”

It is REC’s fifth office worldwide after Iran, Kazakhstan, Tajikistan and Vietnam.

EXHIBITIONS

23rd Azerbaijan International Telecommunications and Information Technologies Exhibition and Conference opens in Baku



Bakutel 2017, the 23rd Azerbaijan International Telecommunications and Information Technologies Exhibition and

Conference opened at the Baku Expo Center. Bakutel is not just an exhibition of technical achievements which are growing rapidly in an extremely short period of time, but also a unique platform where both specialists and professionals from various ICT fields can meet. The exhibition serves as a venue for ordinary users who can choose the most effective tools for data exchanging and processing.

As the main arena for presenting IT products and services, Bakutel has acquired status as the main business platform where new contacts and businesses are created. It has already become a tradition that the President of the Azerbaijan Republic Ilham Aliyev is visiting the Bakutel exhibition. The Ministry of Transport, Communications and High Technologies of the Republic of Azerbaijan has provided invaluable support to Bakutel. The Exhibition is also supported by Azerbaijan Fund for the Promotion of Export and Investment (AZPROMO) and the National Confederation of the Entrepreneurs (Employers) Organizations of Azerbaijan Republic (AEC). The show is also respected globally and is supported by institutions, such as the International Telecommunication Union, the Regional Commonwealth in the field of Communications (RCC). The organiser of the exhibition is Caspian Event Organisers (CEO). This year's exhibition brought together 192 companies from 20 countries, such as the Azerbaijan, China, Finland, France, the Netherlands, Sweden, Turkey, USA, UAE and others. Among the event's participants are leading ICT companies of Azerbaijan, mobile operators, telecom operators, Internet providers, system integrators, distributors of well-known brands and radio and television broadcasting companies. 40% of this year's participants are regular exhibitors of Bakutel. Azercell, which has been participating at the exhibition for more than 20 years, is the general sponsor of Bakutel. The debutants of this year make up 30% of the total number of exhibitors. Bakutel 2017 will also welcome a number of new companies such as BMC Software, Hikvision, Nexus Telecom, Qmatic, etc. The active participation of national pavilions organized with the support of the Ministry of Transport, Communications and High Technologies of the Republic of Azerbaijan, has already become a tradition at Bakutel. This year, 10 countries - Canada, Croatia, France, Iran, Italy, Russia, Slovenia, Turkey, the UAE and for the 1st time Georgia will present at their stands leading companies from their respective countries and innovative projects not only for Azerbaijan, but for the entire Caspian region, in addition to presenting various products and ICT services.

Over the four days, the exhibition will present the next generation of IT solutions, including national broadband Internet, 4G-5G mobile technologies, as well as the fibre-optic and cloud computing services. Many international and local projects in the field of ICT will be reflected at the exhibition, in which Azerbaijan takes a direct part. One of the trends of this year's exhibition is the increase in the sector "Satellite communication systems and space technologies", in which Azercosmos, Airbus (The Netherlands), Turksat (Turkey), Thales Alenia Space (Italy) take part.

ICT

Big Data Research Centre starts up



BP and its co-venturers in the Azeri-Chirag-Gunashli (ACG), Baku-Tbilisi-Ceyhan (BTC), Shah Deniz (SD), and South Caucasus Pipeline

(SCP) – SOCAR, TPAO, PETRONAS, Chevron, LUKOIL, NICO, Statoil, Inpex, ExxonMobil, SGC, Itochu, ONGC, TOTAL, ENI – have launched the first Big Data Research Centre in Azerbaijan. The project, which started last year, is part of BP's and its co-ventures' commitment to supporting the development of education and capacity-building in the country.

The Centre is based in Baku's ADA University where a new Master's Degree programme in Big Data Analytics and Data Sciences will commence to help meet the country's needs for data scientists and big data analysts. The Centre will also have a wider impact - it will be open to public institutions and private sector representatives providing them access to its resources.

Addressing the event which marked the opening of the Centre, Prof. Hafiz Pashayev, Rector of the ADA University, said: "The establishment of the Centre is very important to the entire academic community in the country. It will expand research capabilities across all disciplines and contribute to an improved research ecosystem. The School of IT and Engineering has spearheaded our efforts for launching the Centre by creating workspace and laboratory equipped with necessary computing

facilities. I am convinced the Centre will further strengthen the mutually beneficial academic and industrial partnership."

Gary Jones, BP's Regional President for Azerbaijan, Georgia and Turkey, said: "BP and its co-venturers are pleased to open this new big data centre – the first of its kind and I would say a unique facility to start a new industry sector in the country. We believe it opens vast opportunities for the country to become part of the global big data market and a regional hub in big data processing.

"Most importantly it will boost the development of qualified data scientists, data and information engineers and big data analytics professionals for the country. We are very pleased with the level of cooperation we have built with the Ministry of Education and ADA University. Together, we can do a lot to help the country to enhance capacities, capabilities and competencies in a range of areas including data science practices."

Over the past year a library on data analytics has been established, all equipment and resources including hardware and software and 30 workstations have been installed, staff have been trained and the Centre is now ready to start functioning.

The one year project started in October 2016 and is implemented by the ADA University. The value of the project is \$410,000.

Azerspace-2 to be launched next year, deputy minister



"Azerbaijan's second communication satellite Azerspace-2 will be put into orbit at the beginning of the next year," said Deputy Minister of

Transport, Communications and High Technologies Elmir Velizade.

"We expect to launch it very shortly. It is almost in the final stage of preparation," he added.