



NEWSLETTER

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January 26, 2007

№ 1

Azerbaijani and Armenian FMs Meet in Moscow

On January 23 Minister of Foreign Affairs of Azerbaijan Elmar Mamedyarov held talks with his Armenian counterpart Vardan Oskanian in the Russian capital Moscow to discuss the Armenia-Azerbaijan conflict settlement. Mr. Oskanian told that the Moscow talks were a follow-up to the Armenian and Azerbaijani presidents' November 2006 meeting in Minsk. "On the basis of the presidents' meeting in Minsk we tried to discuss the second layer of some principles, some details as a first step to deepen the negotiations". Today Azerbaijan's Deputy Minister Araz Azimov commented that the status of Nagorno-Karabakh can be solved only when the results of the conflict and war will be eliminated.

Turkey-Georgia-Azerbaijan Railway to Be Built

Azerbaijan, Georgia, and Turkey have agreed on the details of a project to lay a rail line from Turkey to Azerbaijan via Georgia. Under the agreement, Azerbaijan will grant a \$220 million loan to Georgia with annual rate of 1%. The new line is expected to be operational in two to three years. The idea of connecting the rail networks of Azerbaijan, Georgia and Turkey was first discussed in July 1993 and later integrated into the Master Plan on the Trans-European Railway (TER) networks sponsored by the UN Economic Commission for Europe (UNECE). In July 2002, the Ministers of Transport of Azerbaijan, Georgia and Turkey signed a protocol confirming the route. The realization of this project depends on the construction of a 98 km-long (60 miles) segment of rail from Kars in Turkey to Akhalkalaki in Georgia (68 kilometers in Turkey, 30 kilometers in Georgia and the rehabilitation of the Akhalkalaki-Tbilisi line). The estimated cost of the project is about \$400 million.

Azerbaijan and UNDP Sign Two Agreements on Renewable Energy

Mr. Marco Borsotti, UNDP Resident Representative and Mr. Natig Aliyev, the Minister of Industry and Energy, have signed two projects to support development of renewable energy in Azerbaijan with a focus on hydro and wind energy late last week. Opening the signing ceremony Mr. Aliyev announced that the project on "Promoting development of small hydropower in Azerbaijan", funded with 1.5 million USD from the Government of Norway, would help create a healthy investment environment for small hydropower applications in Azerbaijan. The project is aligned with the Azerbaijan's State Program on Alternative and Renewable Energy Sources and will contribute to revising the legal system, promoting investments and building one or more small-scale pilot projects.

Ministry of Transport Announces Tender for East-West Project

The Ministry of Transport of the Republic of Azerbaijan invites interested parties for qualification tender on East-West Highway Improvement Project:

<http://www.adb.org/Documents/Profiles/LOAN/35457013.ASP>.

The East-West Road Corridor Improvement Project has four components: (i) reconstruction of 127 km of a two-lane paved road on the Yevlakh-Ganja and Azerbaijani-Georgian border sections of Azerbaijan's primary east-west road transport corridor, (ii) improvement of local roads totaling about 65 km in the project area, (iii) support for road sector reform through institutional strengthening and (iv) cross-border facility at the border with Georgia at the Red Bridge.