



NEWSLETTER

Embassy of the Republic of Azerbaijan

275 Slater Street, Suite 904. Ottawa ON K1P 5H9 Canada

Tel: (613) 288 0497 Fax: (613) 230 8089

E-Mail: azerbaijan@azembassy.ca

January 30, 2009

№ 3

Nabucco Summit in Budapest

Energy Summit on Nabucco project opened in Budapest, Hungary on Tuesday. The summit brings together President of Azerbaijan Ilham Aliyev, Prime Ministers of Hungary, the Czech Republic and Bulgaria, delegates from Georgia, Austria, Romania, Egypt, Turkey, Turkmenistan, Germany, Iraq, the United States as well as representatives of the European Union, the European Investment Bank and the European Bank for Reconstruction and Development. The Nabucco is a planned gas pipeline that will transport natural gas from the Caspian region, Central Asia and Middle East to member states of EU. The project is developed by the Nabucco Gas Pipeline International GmbH. Shareholders in the Nabucco consortium are OMV (Austria), MOL (Hungary), Bulgargaz (Bulgaria), BOTAŞ (Turkey), Transgaz (Romania) and RWE (Germany) companies. Construction of pipeline is expected to begin in 2010 and is planned to be finished in 2014. It estimated to cost around \$10-12 billion.

Azerbaijan has always backed Nabucco project and it will be so in the future as well, President Aliyev said at the Nabucco Summit in Hungary. Mr. Aliyev noted that Azerbaijan expressed its stance at the Baku Energy Summit in November 2008, and all participants of the project are ready for cooperation. "Azerbaijan is not only a transit country but also an energy-rich nation. I am sure that good partnership ties will be established within the framework of the project" he said.

The Nabucco pipeline project expects an intergovernmental agreement to be signed in the first quarter of this year in Istanbul, Turkish Minister of Energy and Natural Resources Hilmi Guler stated. Turkey will push for the implementation of Nabucco project, which will promote energy security of the EU and particular European countries, according to Mr. Guler.

Besides that, an agreement is reached between Bulgarian Prime Minister Sergei Stanishev and Azerbaijani President Ilham Aliyev to import 1 billion cubic metres of Azeri gas a year from 2010, the government in Sofia said. The agreement follows last year's memorandum of understanding between Bulgaria and Azerbaijan on the exports of 1 bcm of gas to the Balkan country.

President Aliyev Attends Davos Forum

President of Azerbaijan Ilham Aliyev has participated in a session "Energy Outlook-2009" at the 39th World Economic Forum, held in Davos. The Annual Meeting is set to not only focus on managing the current crisis, but also on shaping the entire post-crisis agenda from economic reform to climate change. Addressing the session on Energy Outlook-2009, President Ilham Aliyev told of the country's economic development and potential, ongoing reforms and work done in the energy field. He noted that projects of international importance had been implemented thanks to the right policy pursued by Azerbaijan and joint efforts of partners.

UN: "In 2009 Azerbaijan Will Remain a Country with the Most Dynamic Economy in CIS"

According to the UN report "Economic situation in the world and development prospects for 2009", Azerbaijan's economy will grow 14%. The world economy might grow 1%. At the same time Russian economic growth will be 4.8%, which is followed by Georgia (4.5%), Kazakhstan (4%) and Ukraine (2.1%).

Embassy's Newsletter is compiled from various sources