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## Macroeconomics

### President Aliyev congratulates Swiss counterpart

Azerbaijan's President Ilham Aliyev has congratulated President of the Swiss Confederation Alain Berset.



“On behalf of the people of Azerbaijan and on my own behalf, I congratulate you and your people on the occasion of the national holiday of the Swiss Confederation,” said the congratulatory letter.

“I believe that the development of friendly relations and the deepening of

the mutually fruitful cooperation between Azerbaijan and Switzerland will continue to serve best interests of our peoples,” said President Aliyev.

“On this remarkable day, I wish you the best of health, success in your endeavors, and the friendly people of Switzerland lasting peace and prosperity.”

### Deputy minister: Azerbaijani businessmen must actively participate in exhibitions

Azerbaijani entrepreneurs must actively



participate in various exhibitions which are held abroad, Azerbaijani Deputy Economy Minister Rufat Mammadov said. Mammadov made the remarks during the meeting of the Exporters' Club in Baku dedicated to the activity of the country's trading houses.

“Our companies should participate more actively in various exhibitions,” he said. “This step is very important as it will allow our entrepreneurs to greatly increase their exports, thereby expanding the country's exports.”

Mammadov added that entrepreneurs must participate in exhibitions not only within the country's stand, but also individually.

"During the year we can organize the country's stands at only 10 exhibitions," he said. "We choose the most popular and interesting exhibitions for our businessmen, but this is not enough. If you want to expand your exports, you must actively participate in exhibitions and individually. In this case, the state is also ready to support you, returning 50 percent of expenses spent to organize a stand at an exhibition."

According to the presidential decree dated Oct.5, 2016, stipulating the promotion of the 'Made in Azerbaijan' brand in foreign markets, in 2017 Azerbaijan's products were exhibited at the Gulfood 2017 Exhibition in Dubai, ProWein Trade Fair 2017 in Dusseldorf, ANUGA Food Fair and WorldFood Moscow 2017.

## Industry

### Wind power generation greatly increases in Azerbaijan

In January-July 2018, Azerbaijan's wind farms produced 14.1 million kilowatt hours of electricity, which is 63.9 percent more than in January-July 2017, while solar power plants generated 23.4 million kilowatt hours of electricity, says a report of the State Statistics Committee.



According to the State Agency for Alternative and Renewable Energy Sources of Azerbaijan, the country's wind energy potential is 350 megawatts, 50 megawatts account for solar energy, and during the next few years it will be possible to reach the level of 20 megawatts in bioenergy.

Azerbaijan's power plants generated 13.5 billion kilowatt hours of electricity in January-July 2018 that is 2.6 percent more than in the same period of 2017, according to the report. The report says that 12.99 billion kilowatt hours of the total electricity generated in January-July 2018 accounted for commercial electricity, which is 3.1 percent more than in January-July 2017.

Thermal power plants generated 11.77 billion kilowatt hours of total commercial electricity in January-July 2018 that is 3.5 percent more than in January-July 2017. Azerbaijan's hydro power plants generated 1.18 billion kilowatt hours of commercial electricity in January-July 2018, or 1.5 percent less than in January-July 2017. Azerenerji OJSC is the main electricity producer in Azerbaijan. The company owns hundreds of substations and dozens of power stations.

The electricity generation capacity of Azerbaijan is 7,172.6 megawatts, which makes it possible to annually generate about 24 billion kilowatt

hours of electricity. This allows Azerbaijan to annually export 2.1 billion kilowatt hours of electricity.

### **TANAP's second phase construction to be completed next summer**

The second phase of the construction of the Trans-Anatolian Natural Gas Pipeline (TANAP) is scheduled to be completed in June 2019, SOCAR Turkey Enerji said. The company noted that the work within this phase is now completed by 85 percent. By 2019, the pipeline will be laid to the Greek border. After completion of the test work, the gas will be delivered to Greece by the end of 2019.



TANAP transports gas from Azerbaijan's Shah Deniz field to the western borders of Turkey. Shah Deniz, reserves of which are estimated at 1.2 trillion cubic meters of gas, is one of the largest fields of Azerbaijan. Within the second stage of the field development, the volume of gas production can be increased to 24 billion cubic meters per year, according to forecasts. After the completion of the Trans Adriatic Pipeline's construction, the natural gas will be delivered to Europe in early 2020.

The length of TANAP is 1,850 kilometers, with the initial capacity of

16 billion cubic meters of gas. Around six billion cubic meters of this gas is meant to be delivered to Turkey, with the remaining volume to be supplied to Europe.

A ceremony to launch Phase 0 of TANAP took place June 12 in the Turkish city of Eskisehir. First commercial gas deliveries to Turkey commenced within the Southern Gas Corridor on June 30. The share distribution in TANAP is as follows: Southern Gas Corridor CJSC - 51 percent, SOCAR Turkey Enerji - 7 percent, BOTAS - 30 percent, and BP - 12 percent.

### **Agriculture**

#### **FAO highlights huge potential to boost co-op with Azerbaijan's Food Safety Agency in other spheres**

There is a great potential to extend the cooperation with Azerbaijan's Food Safety Agency to other food safety, plant and animal health related issues, where the



Agency has a mandate, Melek Cakmak, Head of FAO Partnership and Liaison Office in Azerbaijan, said. "I highly value the recent establishment of the Food Safety Agency. Such a public institution can contribute to the efficient functioning

of the food safety control system in Azerbaijan. This will enhance safety of food products in the country by improving respective legislation and standards, and by the provision of risk-based quality inspection and certification services," she said.

Moreover, Cakmak pointed out that the existence of the Agency will positively affect interactions with food safety authorities in other countries, when needed, and facilitate Azerbaijan's participation in the FAO/WHO Codex Alimentarius Commission.

She noted that besides food safety related operations, the Agency will provide veterinary and phytosanitary control in the country – both for imported and exported products, and other goods produced for local consumption.

Further, talking about cooperation with Azerbaijan, Cakmak said that FAO has a long, established relationship with the government of Azerbaijan, specifically with the Ministry of Agriculture.

"Many projects have been implemented since 1995 in different agricultural sectors. The establishment of the FAO Partnership and Liaison Office in Azerbaijan in 2016, and the approval of the Country Programming Framework Agreement (2016-2020) can be considered as signs of mutual

trust and successful cooperation between the partners," she said.

Head of FAO Partnership and Liaison Office added that strengthening the specific agricultural sectors (such as veterinary and phytosanitary control, seed, organic agriculture, forestry, livestock, etc.), timely support to the Government of Azerbaijan to align its legislation with international standards, improving rural livelihoods, increasing agricultural productivity and ensuring food safety – these are a few from FAO's several priorities in the country.

She went on to add that FAO contributes to the nationalization and effective implementation of the Sustainable Development Goals (SDGs), specifically on the achievement of sustainable food and agricultural production through poverty reduction and gender equality in rural areas, ensuring food security, responsible consumption and production (no food waste), and sustainable management of natural resources.

"We provide support to the Ministry of Agriculture, the Ministry of Ecology and Natural Resources, the Statistics Committee, the Food Safety Agency, and the Ministry of Economy and the national SDG Council in monitoring, implementation and reporting on SDG targets," said Cakmak.

With regard to the Food Safety Agency, she noted that FAO provides crucial support to develop technical and infrastructural capacities as well institutional structuring for the better management of import and export controls and certification from the phytosanitary and quarantine diseases perspectives under the on-going project on strengthening the phytosanitary control services in Azerbaijan.

"And there is a great potential to extend the cooperation with the Food Safety Agency to other food safety, plant and animal health related issues, where the Agency has a mandate," she said.

Cakmak noted that soon FAO will launch a new Technical Cooperation Program project for the Improvement of the Veterinary Laboratory Network and Food Safety Quality Management System in Azerbaijan.

"Food safety hazards should be better prevented with the new organizational set-up. Additional focus on practices at the beginning of the food chain, such as contaminants from animal feeds, pesticide residues, zoonotic diseases, veterinary drugs residues, antimicrobial resistance and so on will also be very beneficial. Furthermore, FAO is about to start another project designed specifically to cover the urgent needs of the newly-established

Agency in this critical period," she added.

## Transport

### Convention on Caspian Sea to expand prospects for transit cargo traffic development

Signing of the convention on the legal status of the Caspian Sea, which was



expected for over 20 years, has become a very significant event for all five Caspian

littoral states (Azerbaijan, Iran, Kazakhstan, Russia and Turkmenistan), the Transport Corridor Europe Caucasus Asia (TRACECA) international transport cooperation program national secretary on Azerbaijan Akif Mustafayev said.

He said that this agreement will open new prospects for the development of logistics and expansion of cooperation in this sphere among the Caspian littoral states.

"The Caspian Sea is of great importance for Azerbaijan, because it connects the country with Central Asia," he said. "A lot of transit cargo traffic passes through the Caspian Sea between Azerbaijan and Kazakhstan, as well as Azerbaijan and Turkmenistan. Besides, cargoes heading from China to Europe pass through the Caspian Sea. In this

regard, the interaction among the Caspian littoral states has always been at a high level, and the signing of the convention will open even greater opportunities and prospects for the development of transit cargo transportation.”

On the other hand, the signing of the convention on the legal status of the Caspian Sea will make it possible to implement a number of promising projects that couldn't previously be implemented, he added.

“This document will make it possible to transport great volumes of gas in the future from Turkmenistan and Kazakhstan via the pipeline through the Caspian Sea, and these volumes will be further transported to Turkey and European countries via the Trans-Anatolian Natural Gas Pipeline (TANAP) and the Trans Adriatic Pipeline (TAP),” he noted.

“Earlier, construction of such a pipeline was impossible, but after signing the agreement, there were almost no obstacles left. Thus, the signing of the convention creates great economic prospects not only for Azerbaijan, but also for Turkmenistan and Kazakhstan. In a word, the signing of the convention will lead to significant increase in all types of cargo transportation, enhance security in the region, as well as improve the ecological state of the Caspian Sea.”

On August 12, Kazakh city of Aktau hosted the ceremony of signing documents on the legal status of the Caspian Sea at the 5th summit of heads of the Caspian littoral states. The Convention on the Legal Status of the Caspian Sea was signed by President of Azerbaijan Ilham Aliyev, President of Kazakhstan Nursultan Nazarbayev, President of Russia Vladimir Putin, President of Iran Hassan Rouhani and President of Turkmenistan Gurbanguly Berdimuhamedov.

In addition, heads of the respective structures of the Caspian littoral states signed other important documents stemming from this Convention - the Protocol on Cooperation in the Fight against Organized Crime in the Caspian Sea, the Agreement on Trade and Economic Cooperation among the Governments of the Caspian Littoral States, the Agreement on Cooperation in the Transport Sphere among the Governments of the Caspian Littoral States, the Agreement on the Prevention of Incidents in the Caspian Sea and the Protocol on Cooperation and Interaction of Border Agencies.

## **Tourism**

### **Azerbaijan to introduce European hotel classification**

European hotel classification will be introduced in Azerbaijan, Vice President of the umbrella Association

of Hotels, Restaurants, Pubs and Cafes and similar establishments in Europe (HOTREC) Akos Niklai said. He said that this will become possible after Azerbaijan joins the association. Azerbaijani hotels will be able to voluntarily join this classification, he noted.

The positive fact is that the Azerbaijani government is committed to the reforms in the tourism sector, said Niklai.

He believes that the membership of Azerbaijan in HOTREC will become the next step in this direction.



HOTREC, in turn, intends to get acquainted with the Azerbaijani hotels both in Baku and in the Azerbaijani districts, educational institutions, both secondary and higher ones, he noted.

In general, Azerbaijan has a great potential in the field of tourism, and this potential needs to be developed, said Niklai.

HOTREC brings together 43 European associations, hotels, restaurants and companies operating in the field of tourism.

The main activities of the HOTREC are the development of the tourism industry, the introduction of innovations and ICT, environmental

protection through "green technologies", more efficient use of resources in gastronomic tourism, enhancement of competition in the industry and other issues.

## **Announcements and Notifications**

### **Bakutel 2018 - 24th Azerbaijan International Telecommunications, Innovations and High Technologies Exhibition and Conference.**

Bakutel 2018 exhibition, which has turned into a constant event, plays the role of platform where the latest high technology achievements of Azerbaijan, as well as many other countries and companies in the world are presented. Traditional Bakutel exhibition is a place to demonstrate the latest ICT achievements and present advanced technological innovations, apart from being a good opportunity to get acquainted with our country, it is also an invaluable platform for the establishment of business relations and exchange of experience.

Exhibitors include telecommunications and networks, IT and office technologies, Cable and wireless, Satellite communications and technologies, Broadcasting and professional equipments, Banking

technologies and services, Broadband communications and technologies, Software and ICT systems will be showcased in the trade show.

Visitors like General managers and directors, IT managers Technical managers, System administrators, Web-designers, Designers, Operators, Telecom managers Safety appliances engineers, Purchase managers, Office managers, Representatives of governmental structures and embassies, Chief accountants Chiefs of institutes will visit the trade show.

Bakutel is an international exhibition and conference for telecommunications and information technologies and one of the largest events of its kind in the Caspian and Caucasus region.

The twenty-fourth Bakutel takes place on 4 days from Tue., 04.12.2018 to Fri., 07.12.2018 in Baku.

For more information, please visit website [www.bakutel.az](http://www.bakutel.az)