

DİPLOMATİYA ALƏMİ

WORLD OF DIPLOMACY
JOURNAL OF THE MINISTRY OF FOREIGN AFFAIRS
OF REPUBLIC OF AZERBAIJAN

№ 34-35, 2013

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"World of Diplomacy" journal is published since 2002.

Registration N@ 1161, 14 January 2005

ISSN: 1818-4898

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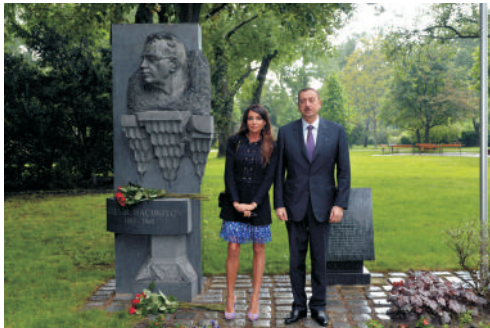
DIPLOMATIC ACTIVITY OF THE PRESIDENT OF THE REPUBLIC OF AZERBAIJAN, H.E. Mr. ILHAM ALIYEV IN SECOND AND THIRD QUARTER OF 2013

VISITS BY THE PRESIDENT OF AZERBAIJAN H.E. Mr. ILHAM ALIYEV

12-14.05.2013

Official visit to the Republic of Austria

On 12 May 2013, President Ilham Aliyev left for the Republic of Austria on an official visit. Meeting President Ilham Aliyev and his wife Mehriban Aliyeva at Schwechat International Airport of Vienna, decorated with state flags of the two countries, were senior state and government officials of Austria.



President Ilham Aliyev and his wife Mehriban Aliyeva have visited a statue of brilliant Azerbaijani composer Uzeyir Hajibayli in Danube Park of Vienna. Statues of renowned people of world culture are erected in Vienna's Danube Park. The statue of Uzeyir Hajibayli was erected in May 2006.

On the same day, President of the Republic of Azerbaijan Ilham Aliyev met with president of the supervisory board of "OMV AG" Gerhard Roiss in Vienna. During the meeting the sides exchanged views on the cooperation between Azerbaijan and "OMV AG" and the possibility of implementing joint energy projects in the future.





On 13 May 2013, an official welcoming ceremony for the President of Azerbaijan was held in the square in front of the Hofburg Palace, which was decorated with state flags of the two countries. President of the Republic of Austria Heinz Fischer and his wife Margit Fischer warmly welcomed President of the Republic of Azerbaijan Ilham Aliyev and his wife Mehriban Aliyeva.

After the official welcoming ceremony, President of the Republic of Azerbaijan Ilham Aliyev and President of the Republic of Austria Heinz Fischer had a one-on-one meeting. The sides expressed their satisfaction with the development of bilateral relations in the political, economic and other fields and stressed the importance of high-level visits for the development of relations. It was indicated that the official visit of the President of Azerbaijan to Austria would contribute to the development of bilateral ties. The sides also exchanged views on bilateral issues and matters of mutual interest.



After the one-on-one meeting, President of the Republic of Azerbaijan Ilham Aliyev and President of the Republic of Austria Heinz Fischer held a meeting in an expanded format with the participation of delegations. Recalling about the official visit of great leader Heydar Aliyev to Austria, President Heinz Fischer said that the official visit of President Ilham Aliyev to Austria would be an important step towards develop-

ment of bilateral ties. It was noted that the cooperation between Azerbaijan and Austria was developing in all areas. The political and economic ties between the two countries are also gradually growing stronger. It was noted that tens of Austrian companies were working in Azerbaijan, which was an indicator of good prospects for cooperation in the economic sphere. The sides also pointed to opportunities for the effective cooperation between the two countries in various sectors of the economy, including energy, tourism, services and related sectors.

The sides reviewed the cooperation between the two countries in the energy sphere and expressed their satisfaction with the development of relations between Azerbaijan and the European Union. The Presidents exchanged views on the Armenian-Azerbaijani Nagorno-Karabakh conflict.

At the end of the negotiations in an expanded format, the signing ceremony of the "Joint Declaration on friendly relations and partnership between the Republic of Azerbaijan and the Republic of Austria" was held in Vienna. The Joint Declaration was signed by President of the Republic of Azerbaijan Ilham Aliyev and President of the Republic of Austria Heinz Fischer.

After the signing ceremony, President of the Republic of Azerbaijan Ilham Aliyev and President of the Republic of Austria Heinz Fischer held a press conference. First the heads of state made statements.

Statement by President of the Republic of Austria Heinz Fischer

- Mr. President, I am exceedingly pleased to welcome you and your delegation here on an official visit to Austria.

I remember my visit to Azerbaijan, to Baku in autumn 2011. We had very fruitful discussions in Baku then and in Vienna now. There are many areas for our cooperation. The declaration we have just signed reflects the friendly relations and partnership between our two countries. For example, the declaration emphasizes our commitment to democracy, respect for human rights and the promotion of the rule of law in both countries. The document also notes the importance of a negotiated settlement of the Armenian-Azerbaijani Nagorno-Karabakh conflict in accordance with the principles of international law.

I am very grateful to you for your opinion and information about the next possible steps to achieve improvements related to this protracted problem, to this conflict.

Of course, the main topic of our discussions was economic cooperation. It is very significant that one year after my visit to Baku, the negotiations we conducted and the Baku Business Forum, the export-import operations between the two countries have dramatically increased. This is a very good indicator. We are committed to the continuation of this. The Austrian side has provided the President and his staff with a list its companies have compiled, which covers various areas and proposals. There are proposals regarding the oil sector, healthcare, technology, the new airport, and cooperation in the field of tourism. Also reflected on it are railway equipment, infrastructure, the hospitality business, consulting and other issues. We have a lot of common projects and proposals for them. We are very pleased with that.

While in Azerbaijan, I informed the President about the Anti-Corruption Academy established on an international basis in Austria and Luxembourg. And I was very happy to receive information about Azerbaijan's accession to the Anti-Corruption Academy a few months later. This organization conducts training courses in public administration to conduct successful fight against corruption. All countries of the world to some extent feel the need to do so to ensure and improve the transparency of the economy. We are very pleased with our cooperation in this area.

We have reached agreement on the candidates within the UN framework. Austria supports Azerbaijan's candidacy for the UN Committee on the Elimination of Racial Discrimination. Azerbaijan supports a female candidate from Austria to the United Nations Committee on the Elimination of Discrimination against Women.

Our meeting was held in a very positive, friendly and constructive atmosphere. Of course, we have also discussed the issue of "Nabucco". On this issue we share the same position, because we have common and shared interests. The next decision will be made in a few weeks. This may happen in June.

No matter what project will be given preference to, "Nabucco West" or TANAP, any decision will open up opportunities for our effective cooperation in the energy sphere.

This is all I wanted to say.

Thank you very much.

Statement by President of the Republic of Azerbaijan Ilham Aliyev

- Thank you, Mr. President!

First of all, let me express my deep gratitude to you for the warm hospitality. We are very happy to visit your country and continue our dialogue.

We all remember your visit to Azerbaijan and the discussion we carried out. As you noted, we have experienced accelerated development in all areas of cooperation since then. I believe that the signing of the Declaration has been an important milestone in our bilateral relations. It holds a special place among all the documents signed between the two countries, as it reflects the essence of our cooperation and the history of our relations, and covers many areas. This is a very important declaration. This document confirms that our relations and partnership are at an excellent level.



In fact, these words describe the level of our cooperation. We have established strong political connections and are constantly in contact. We support each other and, as Mr. President has said, we will continue this support in international organizations.

At the same time, as far as economic cooperation is concerned, we have very good results. The turnover is growing and there is great potential. At the present time, many Austrian companies act as contractors performing major projects in Azerbaijan. These are projects in the fields of the tourism infrastructure, arts and architecture. Austrian companies are highly respected in Azerbaijan. They help us with many infrastructure projects Azerbaijan is currently implementing.

After a while today, we will have a meeting with representatives of the business community. I believe, Mr. President, that this event will also provide regular support for our cooperation. We also want even more Azerbaijani companies to work in Austria. We do hope that this will happen too.

From the point of view of investments, Austria is a very attractive country for Azerbaijani companies. The State Oil Fund of Azerbaijan, which is one of the most transparent oil funds of the world, is looking for opportunities to invest. It is starting investment projects in Europe, hopefully, in Austria too.

As the President has said and as is mentioned in this declaration, we have discussed the settlement of the Armenian-Azerbaijani Nagorno-Karabakh conflict. The conflict should be resolved on the basis of international law, decisions and resolutions of international organizations. Among them I would like to highlight four UN Security Council resolutions calling for an immediate and unconditional withdrawal of Armenian troops from Azerbaijani territories. Unfortunately, these resolutions have not been executed for 20 years and the occupation continues. More than a million Azerbaijanis have become refugees and internally displaced persons, subjected to a policy of ethnic cleansing and genocide.

Unfortunately, Armenia ignores the statements by the presidents of the OSCE Minsk Group co-chair countries regarding the unacceptability of the status-quo.



The change of the status quo means the start of the liberation of Azerbaijani lands from the occupation. I believe that the sooner this happens, the faster the negotiation process will go and the atmosphere observed in the process of negotiations can change from negative to positive. The immediate commencement of the liberation of Azerbaijani lands from the occupation is the moment we are waiting for. We hope that the international community will play a more active role in this.

Of course, we have also discussed energy cooperation. This cooperation has good prospects. Azerbaijan is a country which has not only supported the construction of the Southern Gas Corridor. In fact, we have started it. Since the last meeting with Mr. President in Baku we have made an important achievement. I am talking about the agreement reached with Turkey on the construction of the Trans-Anatolian gas pipeline. This opens the doors for the Azerbaijani gas to the European continent. The discussions conducted with the European institutions and the European Union on the subject are always in the focus of our attention.

Azerbaijan has signed an Agreement on Strategic Partnership in the energy sector with the European Union. It describes Azerbaijan as the main force and initiator of the Southern Gas Corridor. I think that the Southern Gas Corridor will be successfully implemented.

Currently, the "Shah Deniz" consortium is evaluating the commercial aspect of the proposals. We do hope that the decision will be made in the near future and Azerbaijani gas will be delivered to the European continent as a result. As we can see, both sides have a desire to expand the excellent relations, the relations of mutual understanding, and to strengthen high-level cooperation. I think that from this point of view this visit will play a role.

Dear Mr. President, thank you very much for your hospitality. I want to say that I loved the city of Vienna and this majestic palace, which reflects the rich history and heritage of your people.

Then the heads of state answered questions from journalists.

Austrian journalist: Mr. President, Azerbaijan is considered to be a friend of Turkey. There were explosions in Turkey at the week-end. Do you fear that the war ongoing in Syria may spread onto Turkey? My question is to both Presidents. In this case, should the international community react to this and, if so, how?

President Ilham Aliyev: Of course, it bothers us. I have expressed my deep condolences to the President and Prime Minister of Turkey in connection with such brutal acts of terrorism. Innocent people have been hurt again. Of course, we are concerned that terrorism continues to cause suffering to people. The fight against terrorism should be waged more actively. As a matter of fact, during Azerbaijan's presidency at the UN Security Council, we put forward the issue of the fight against international terrorism and the need for consolidating the efforts of the international community. I think that on the whole the international community understands our position.

We should not make any distinction between terrorist organizations. Terrorist acts can have no justifications or valid reasons. Terrorism must be condemned by the international community. The international community needs to step up its efforts and exchange information to prevent terrorism.

Of course, Turkey is a friend of Azerbaijan. We have a great relationship and are concerned that the terrorist attacks could spread and bring suffering to innocent people.

President Heinz Fischer: My answer to your question lies in the fact that we have just touched upon the situation in Syria in our meeting. As you know, Azerbaijan is a member of the UN Security Council. Personally, I am convinced that the current government of Syria has aggravated its situation by creating an additional front against Turkey. I would even say that they have significantly exacerbated it.

Among the interesting developments of recent days I can point to the negotiations between the Minister of Foreign Affairs of Russia and the US Secretary of State. If Russia and the United States reach an agreement on the suspension and termination of the conflict, it will be a big step forward. A positive decision of the Security Council is possible only if Russia and the United States reach an agreement on some fundamental issues related to the Security Council resolution.

My personal opinion is that such conflicts should always be resolved by political, not military means. If someone wants to resolve a conflict by force or stand-off, it may lead to serious consequences. In my view, the example of Iraq speaks volumes.

Vugar Seidov (Azerbaijan State Telegraph Agency AzerTAc): My question is for the President of Austria. What specific areas of the non-energy cooperation between the two countries could be expanded?

President Heinz Fischer: First of all, I am pleased to note that Austria is applying high technology to various fields. I am talking about the spheres of infrastructure, railways, construction, healthcare and construction of hospitals. We, as a friendly country, want and provide these technologies to Azerbaijan. Secondly, there is a sphere of tourism. This is a characteristic feature of Austria. Tourism is developed at a very high level here, it is known internationally. Azerbaijan is a beautiful country. Tourism is the second sphere and culture is third. There is close cooperation between universities.

The Academies of Sciences are very interested in cooperation. This is another area. Austria also works in the field of preservation of cultural heritage. We know that Austrian architects are involved in the restoration of key cultural heritage sites in Baku. All these are good examples. If we had time, I would note other areas too. That is the answer to your question.

Journalist: My question is to President Aliyev. Regarding the decision on the Southern Gas Corridor: do you expect this decision to be adopted at the end of June? And my second question is: if the "South Stream" project is implemented, how it will affect the implementation of "Nabucco"?

President Ilham Aliyev: We also expect the adoption of this decision in the near future. This will be a joint decision of the "Shah Deniz" group.

As Mr. President and I noted today, we hope that this decision will be made solely on the basis of commercial viability. As I said, we have made a big step towards realization of the Southern Gas Corridor. In particular, I mean the agreement on the TANAP project reached between Azerbaijan and Turkey. This will greatly facilitate the implementation of the project. In short, we are ready to take on the major technical and financial liabilities. We are making a concrete contribution to the implementation of the strategic route, because as a result of its implementation Azerbaijan will become an important exporter of gas to the European continent. This will give us the opportunity to realize our huge gas potential and ensure the economic independence of our country in the coming decades and centuries.

We are very pleased with the level of cooperation between Azerbaijan and the European institutions and, as a partner, are doing specific work. As far as the projects being implemented in the region and those planned for the future are concerned, we are not worried about the competition. On the contrary, I believe that fair competition is a fundamental condition for success. It is also important for consumers as they will have more choice. It is profitable for producers, as they will work more efficiently. Therefore, we are not worried. But when it comes to diversification, I think that we all need to take into account that the main diversification is not the diversification of routes but of sources.

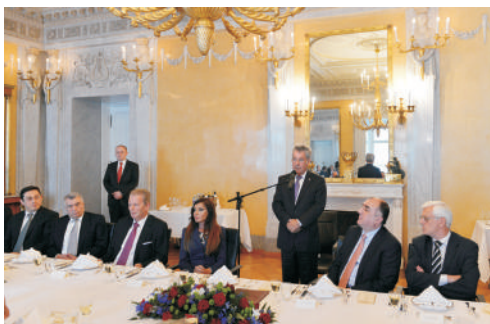
President of the Republic of Austria Heinz Fischer and his wife Margit Fischer have hosted an official lunch reception in honor of President of the Republic of Azerbaijan Ilham Aliyev and his wife Mehriban Aliyeva.

Expressing his satisfaction with the development of relations between the two countries, President of the Republic of Austria Heinz Fischer said:

- Thank you and your wife for accepting our invitation and paying a visit to Austria together with a delegation.

In response to the hospitality extended to us during my visit to Azerbaijan and to Baku in autumn 2011, I am trying to receive you with the same hospitality.

There are many opportunities for our cooperation. I can say that our cooperation has always been successful. Turnover indicators are growing and our export-import operations are expanding. We also cooperate in the international arena, i.e. within international forums and organizations.



Congratulating Azerbaijan on being elected to the UN Security Council, the Austrian President expressed his confidence that an option acceptable for Azerbaijan would be achieved in the settlement of the Armenian-Azerbaijani Nagorno-Karabakh conflict, which has remained unresolved for many years.

Touching upon the importance of mutual high-level visits for the expansion of relations, President Heinz Fischer pointed to the significance of strengthening economic ties and the declaration signed during the visit.

Expressing his gratitude for the warm hospitality, President Ilham Aliyev said that the relations between Azerbaijan and Austria were developing successfully:

- We remember your visit to Azerbaijan very well, as it was the first visit of the President of Austria in the history of our relations.

It was a historic visit. We have established excellent personal relations and agreed to intensify our dialogue. And less than two years later, we can see that our trade has grown rapidly. Very active political consultations are under way.

The head of state said that high-level reciprocal visits and meetings of business people serve to further strengthen the ties between the two countries. Indicating that the Austrian companies working in Azerbaijan were successfully represented in a number of areas, President Ilham Aliyev said that the economic cooperation between the two countries had good prospects.

Touching upon Austria's position on the Armenian-Azerbaijani conflict over Nagorno-Karabakh, President Ilham Aliyev said:

- I am very grateful to you for understanding our problems. In particular, I am talking about the unresolved Armenian-Azerbaijani conflict over Nagorno-Karabakh and the suffering our people have been exposed to.



The commitment of the international community to resolving the conflict in accordance with the norms of international law is encouraging. However, the fact that the conflict has remained unresolved for 20 years is, of course, very disappointing.

As noted in our joint declaration on friendship and partnership, a solution must be based on international law, decisions and resolutions of international organizations.

Expressing his confidence of a further strengthening of the partnership between the two countries in the coming years, President Ilham Aliyev said it was important to expand the air traffic between Azerbaijan and Austria. The head of state highlighted that the cooperation between the two countries provides fertile ground for organizing at least daily flights between Vienna and Baku.

President Ilham Aliyev expressed his gratitude for the excellent hospitality again.

President of the Republic of Azerbaijan Ilham Aliyev met with Prime Minister of the Republic of Austria Werner Faymann.

The sides expressed their satisfaction with the development of bilateral relations. It was noted that there was good potential for the expansion of economic cooperation. The parties also voiced their confidence that the official visit of President of Azerbaijan Ilham Aliyev to Austria would contribute to the further development of relations. The sides exchanged views on the current state and prospects of economic relations.

On the same day, President of the Republic of Azerbaijan Ilham Aliyev, who is paying an official visit to the Republic of Austria, met with the Mayor and Governor of Vienna, Michael Haupl.

Mayor and Governor of Vienna Michael Haupl said:

- Mr. President, Dear guests.

I am glad to welcome the President of the Republic of Azerbaijan, Mr. Ilham Aliyev, to the City Council of Vienna. Welcome to the capital of Austria! Vienna is known as a city of culture. There are both historical and modern buildings here. Admiring the concert halls and museums, everyone immediately understands where it all comes from.



Vienna is also a modern and developing city. It is a city of intercultural dialogue. The fact that Vienna, just like New York and Geneva, is home to important UN agencies shows that its specific functions and roles are recognized all over the world. Vienna is also home to the headquarters of many international organizations.

We feel very proud that we are committed to intercultural communication and dialogue in our cultural and religious contacts. Vienna is a platform of dialogue and meetings. Here, everyone believes in political and diplomatic solution options. This is based on the historical traditions and on our past.

Last year, there were extensive contacts between Vienna and Baku. Baku hosted the Viennese Ball then. It looked as though the city located on the banks of the Danube saluted the capital of Azerbaijan with music.

In late 2011, a high-level delegation of officials and businessmen paid a visit to Baku. They witnessed extensive interest in the know-how introduced by Vienna. This includes novelties in the fields of urban technologies such as the planning and management of traffic and transportation, the use of alternative energy, waste management, and the operation of culture and tourism facilities.

Azerbaijan's presence in Vienna is also on an upward trend. As an example, we can refer to the fact that the Azerbaijani Embassy is housed in the former villa of the famous and beloved Viennese architect, Hans Moz, in the 13th district of the capital. You can be sure that the people of Vienna are very attentive to that.

Mr. President, I am very glad that you have come to Vienna and will sign the "Golden Book" of our city, as it is a manifestation of mutual respect between our nations. Welcome to Vienna, and we wish your successful visit to Austria.

Addressing the meeting, President of the Republic of Azerbaijan Ilham Aliyev said:

- Dear Mayor, distinguished friends.

First of all, I want to express my appreciation to the City Council for the invitation and the opportunity to meet with you.

Today, I am paying my first official visit to your beautiful country. I have had very fruitful talks with the President and the Prime Minister. We have thoroughly reviewed our bilateral friendly

relations and identified many broad prospects for future cooperation. Austria and Azerbaijan are true friends and partners. The political declaration signed by the two Presidents today is called the Declaration of Friendship and Partnership. In essence, it captures the essence of our relationship. Of course, the opportunity to visit the City Council is a great honor for me.

I am confident that the relations between our countries will develop at the level of local municipalities. We have a very positive experience in this field. There is a partnership between the Nakhchivan Autonomous Republic of Azerbaijan and the province of Styria, between the cities of Sumgayit and Linz. These are twinned cities.



We do hope that one day Baku and Vienna will embark on a more extensive cooperation because there are many similarities between us, between our cities. One of them is a very sensitive attitude to our historical heritage, architecture and historic monuments. The level of cooperation and trust between us is so high that the iconic symbol of Azerbaijan and Baku, the famous Maiden Tower, is currently being renovated by Austrian specialists. Many of the new symbols of Baku and beautiful buildings are designed and built by Austrian companies.

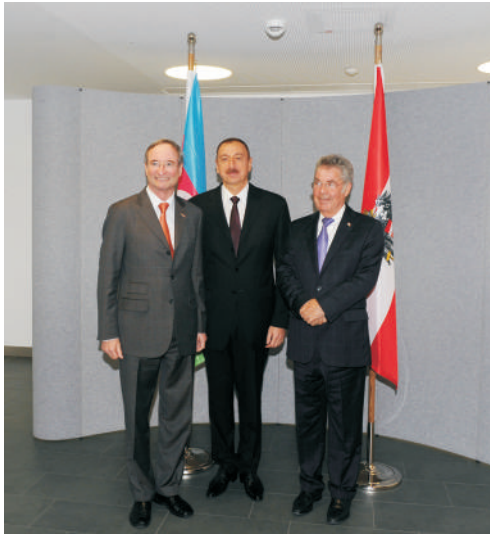
Mr. Mayor, I hope that on visiting Azerbaijan at a convenient time for you, you will see a lot of beautiful buildings designed and constructed by our Austrian friends. This increases the level of our cooperation and mutual trust. Our countries are friendly countries, and I think that the more the Azerbaijanis and the Austrians know and visit each other, the better it will be for all of us.

I was very happy to start my visit program yesterday with a visit to the statue of the author of our national anthem, our brilliant composer Uzeyir Hajibayli. His statue was erected in one of the most beautiful parts of Vienna in 2006. His famous work was staged at the Vienna theater. Two years ago, during a visit of President Fischer to Azerbaijan, we unveiled a statue of genius composer Mozart in one of the beautiful squares of Baku. This is an indication not only of our respect for the memory of our illustrious compatriots, but also of our friendship, sincere relations and mutual support.

During the visit, of course, we have discussed and will discuss our relations at the international level, our trade relations.

Today, a business forum will be held, demonstrating the potential of our country. At the same time, we will open the Azerbaijani cultural center tonight. This will be the second Azerbaijani Cultural Center to be opened in Europe. It is opening in Vienna, one of the capitals of the world culture. The opening of the Azerbaijani Cultural Center in one of the most beautiful cities of the world has a great symbolic meaning. On the one hand, this center will promote Azerbaijani culture in Austria, and on the other, it will be a meeting place where friendship and partnership between our two countries and peoples are being established.

I want to express my gratitude again for the invitation to visit such a magnificent monument of art. I wish all the people of Vienna prosperity, peace and progress. Thank you very much. President of the Republic of Azerbaijan Ilham Aliyev signed the Book of Distinguished Guests of the City Government of Vienna. The President of Azerbaijan was presented with a gift.



On 12 May 2013, the Austrian-Azerbaijani business forum has been held in Vienna. President of the Republic of Azerbaijan Ilham Aliyev and President of the Republic of Austria Heinz Fischer took part in the business forum.

Opening the event, the President of the Austrian Chamber of Commerce, Kristof Lajtl, congratulated President Ilham Aliyev on his achievements in the development of Azerbaijan. "Today, many large projects are being implemented in Azerbaijan," Kristof Lajtl said, noting that these projects cover many areas. He said there was good potential for cooperation with Azerbaijan.

President of Austria Heinz Fischer described the business forum as an indicator of good economic cooperation between the two countries. He noted that economic relations between Austria and Azerbaijan were expanding. Azerbaijan has become a favorable market for Austrian companies.

Noting that bilateral cooperation between the two countries covers many areas, Heinz Fischer provided a specific example of the sectors of tourism, services and banking. "Since the Azerbaijani-Austrian business forum held in Baku in October 2011, our cooperation has significantly expanded, and the current meeting of business people is an important step in the further development of our economic relations. And the most important factor which gives us grounds to say so is the high level of political cooperation between our countries," he said.

Addressing the business forum, President of the Republic of Azerbaijan Ilham Aliyev said:

- Dear President Fischer! Dear Chairman Lajtl! Distinguished friends!

I would like to express my gratitude to President Fischer again for giving me the opportunity to pay a visit to your country, to continue the active political dialogue and to meet with representatives of the business community.

Today we have had very fruitful meetings in which we discussed many issues, including the issues of economic cooperation. We have good results. I do hope that after this meeting our economic cooperation will become even more active.

From a geographical point of view we are not very close to each other. But I can say that the distance between Austria and Azerbaijan is not so great. In general, you can have breakfast in Baku, lunch in Vienna and dinner in Baku again - of course, if you use a plane. But the distance between our hearts is very short, as we have found real friends and partners in Austria. We stay in touch with them, work together, plan on our future projects and establish



economic cooperation. We can cite many examples of a positive economic cooperation. We are very grateful to Mr. Kalina, who has developed the design of the new Azerbaijani manat. Our country has implemented a currency reform, and after the manats with a new design were released into circulation, the manat strengthened. Currently 1 manat is equal to 1 euro. Perhaps this has been influenced by our bilateral cooperation.

At present, a lot of Austrian companies are working in Azerbaijan and successfully implementing important projects for our country. I am talking about the projects covering extremely broad spheres. Today we have briefly discussed this topic and noted that it is easier to specify the few areas we do not work in than the many areas in which we collaborate.

Austrian companies are professional and skilled companies that have good taste. The architectural buildings they have designed and built in Azerbaijan are not ordinary buildings. These are the buildings everyone can see. For example, the new international airport or the Carpet Museum in Baku. The restoration and renovation of the Maiden Tower, the symbol of Azerbaijan, is also carried out by Austrian specialists. This is a sign of the highest level of trust between us, because the Maiden Tower has a great deal of sense for us. This is a true symbol of our identity, architecture and culture.

There are many areas of our cooperation. Austrian companies are building hotels, ski sites and recreational facilities, and are involved in various projects. We hope to see even more companies in our country in the coming years, as we have ambitious plans for the future.

Our state investment program is expanding. A total of \$22 billion was invested in Azerbaijan last year. For the volume of direct foreign investment per capita we are the leading country in the former Soviet Union. The investment environment is very positive. We would like to see even more Austrian companies as investors and contractors. We can cooperate with these companies also on issues related to infrastructure projects, because Azerbaijan is a country that is rapidly modernizing now. The infrastructure and services are modernizing, and good management experience and expertise of our Austrian colleagues are very valuable to us.

With regard to economic indicators, our economy is more diversified now than ever before. We are successfully working to eliminate dependence on the energy sector. In the first quarter of 2013, GDP growth in the non-energy sector exceeded 11 per cent. Azerbaijan is among the countries that have the lowest foreign debt in relation to the gross domestic product - it is only 7 per cent. There is a stable financial system. The currency is stable. There are good investment opportunities and rapid growth of the economy. The past 10 years have seen an unprecedented growth. This is largely due to the energy sector.

But not only the energy sector. We have been able to triple our economy. This has helped us to mainly resolve the problems of unemployment and poverty we had faced before. Some 10 years ago, 50 per cent of our population lived in poverty, while now this indicator is only at 6 per cent. Unemployment is 5.2 per cent. Having created the State Oil Fund, we have achieved equitable distribution of the national wealth. By the way, this fund is one of the most transparent funds in the world and has now started to invest abroad.

We have been able to create a very transparent financial system in Azerbaijan. As far as our future plans are concerned, we will continue modernization. At present, we are implementing large infrastructure projects in all regions of Azerbaijan.

We will actively invest in new sectors of our economy. For example, I am talking about

the sphere of information and communication technologies. In February of this year, we launched Azerbaijan's first satellite Azerspace-1. It is already in orbit. Currently we are developing the space industry. In other words, we have turned our sights beyond the region and beyond the oil and gas sector. The impetus energy has given to our development has insured us from the "Dutch disease" which was previously projected by some analysts.



We are planning our economic strategy as if we have no oil and gas. This helps us to diversify and achieve sustainable development. With regard to energy cooperation, there are active and fruitful relations between Austrian and Azerbaijani companies. We hope that these ties will become strategic in the coming years.

We have a very good mutual understanding. Earlier, the mutual understanding between the European Union and Azerbaijan was largely associated with energy. At present, it has assumed a broader scope, but energy cooperation was the bottom-line. Azerbaijan exports its oil to European markets. It plays an important part in the energy balance of some countries, i.e. it accounts for 30-40 per cent. As for the transportation of gas, if all goes according to our plans, Azerbaijani gas will be supplied to the European Union market in four to five years. And this will completely change the energy map of the region.

Our initiatives related to transportation projects, oil and gas pipelines serve regional cooperation, stability and predictability. I think we have found the right balance between the interests of producer, transit and consumer countries. Our energy policy and diplomacy are based on a cooperation format. We are absolutely confident that we can achieve our goals not through rivalry and unfair competition, but through cooperation.

The European Union considers Azerbaijan the main force of the Southern Gas Corridor, a contributor to it. I want to reiterate that we are proud to have started these projects in the Caspian Sea, to have opened Caspian energy resources to international cooperation for the first time. And now, along with our partners in Europe, including our Austrian friends, we are working on one of the most complex, important and promising energy projects in the world - the Southern Gas Corridor.

At the same time, I want to repeat that the priority for us and our government is the non-energy sector. I want to invite the Austrian companies that are not yet operating in Azerbaijan to come and cooperate with us. We have great plans. We have large investment programs for the future. Austrian companies have already become our reliable and trusted partners.

Professionalism, quality, taste, beauty and creativity. I think these are the criteria we have in mind when dealing with Austrian companies. They have a special place in Azerbaijan. The most difficult and important projects related to the symbols of Azerbaijan are implemented by Austrian specialists. We are very grateful for this support and for the efforts to modernize Azerbaijan. I do hope that this fruitful cooperation will be successfully contin-



ued. In particular, both Presidents have been encouraging the business community to get closer together for the second time in less than two years. Thank you very much.

On the same day the opening of the Azerbaijani Cultural Center has been held in Vienna. The ceremony was attended by President Ilham Aliyev and his wife Mehriban Aliyeva. The head of state opened the Center.

Addressing the ceremony, President Ilham Aliyev said:

- Dear ladies and gentlemen! Distinguished friends!

It is a great day today! The official visit of the President of Azerbaijan to Austria is taking place. During the visit, we are opening the Azerbaijani Cultural Center in Vienna together. This is a landmark event in the history of our relations, because the opening of a cultural center in the capital of the world culture is actually very important to us.



My colleague Mr. President and I have conducted very active negotiations and exchanged views earlier this morning. We have had discussions regarding the economic, political, educational, tourism and cultural spheres, and have reached mutual understanding on how to develop the relations between Azerbaijan and Austria. We are real partners and friends.

Today we have signed the political declaration on friendship and partnership. The name of the declaration shows how we approach our bilateral relations. There are active business communities in our countries and they are engaged in a very fruitful cooperation.

Today, President Fischer and I have also taken part in a business forum. We have further inspired business groups to get closer, operate effectively and implement more projects. Along with political connections, effective economic cooperation and the hard work forthcoming in the future, we are also pleased to see very important cultural aspects between our two countries.

Last night, as soon as our delegation arrived in Vienna, we visited the statue of our great composer Uzeyir Hajibayli which was erected in 2006.

I remembered the ceremony to unveil the statue of great Austrian composer Mozart in one of the central parks in Baku, which President Fischer and I attended together two years ago. Now we are gathered for the opening of the Azerbaijani Cultural Center.

In our discussions today we were pleased to note that we share not only infrastructure, energy and construction projects. As I have said several times today, the symbol of Azerbaijan and Baku, the Maiden Tower, is being restored by Austrian specialists. This attests to the level of mutual trust, mutual respect and active cooperation between us.

I am confident that this center, which is the second Azerbaijani cultural center to be opened in Europe in the years of our independence, will first of all introduce Azerbaijani culture to the Austrians. At the same time, it will be a place for meetings between intellectuals, politi-

cians and public figures. It will be a kind of the Azerbaijan House in the center of Vienna, in this beautiful city, which in itself is a world heritage.

Azerbaijan is a relatively young independent nation. We have been an independent state for only 21 years. But we have a great history, culture, traditions, literature, music, carpets, etc. In fact, the modern Carpet Museum in Baku is also being built by Austrian companies. I am very glad to see everyone here. I see a lot of friends here, as well as representatives of the Azerbaijani community of Austria. I do hope that this cultural center is always full of people, friends, and the cultural aspect of our relations will further strengthen the close friendship and partnership between our two countries and peoples.

I congratulate all of you on this momentous event in the history of our relations and wish you all the best for the future. Thank you.

Stressing that the two countries have established friendly relations, Second President of the National Council Fritz Neugebauer said:

- Ladies and gentlemen!

I am honored to participate in the opening of the Azerbaijani Cultural Center in Vienna. Our two countries have warm and friendly relations. Clear evidence of that is the visit of President Heinz Fischer to Baku in October 2011, my visit to Baku together with my friends from the Austrian parliament in March of this year, when I was fortunate enough to meet with the President, and Your Excellency's current visit to Vienna.

I am convinced that political and business ties are very important. But the most important thing is the dialogue in the field of culture. Culture brings people together, helps them to understand each other and opens up new horizons.

Your country and the UN alliance of civilizations are partners in conducting the World Forum on Intercultural Dialogue in Baku two weeks later, in late May and early June. The forum will focus on specific initiatives that promote cultural diversity and coexistence. Azerbaijan is quite active in the field of culture in Vienna.

The exhibition "The flight to Baku" will be opened in Vienna for the first time tomorrow. This building is located in the center of Vienna. The new cultural center will actively participate in various cultural activities, become a new forum of exchange, and encourage dialogue and exchange in the field of culture. Thank you very much.

During meetings with the President on the sidelines of the ceremony, representatives of the Austrian public, members of Azerbaijani Diaspora organizations and Azerbaijani students noted that the establishment of this center of culture was very important for Azerbaijan. They stressed the importance of opening such centers of culture for conducting Diaspora policies.

The Azerbaijani Cultural Center in Vienna has been established in accordance with a Decree of President Ilham Aliyev dated 16 November 2012 to promote Azerbaijani culture in Austria. To provide the Austrian people with the opportunity to become better acquainted with Azerbaijan, there are plans to conduct various activities promoting the rich culture, arts and tourism opportunities of the country. The center will also operate Azerbaijani language courses.

Anyone can use the services of a rich library and a multimedia library, which contains works of Azerbaijani authors Nizami, Nasimi, Mohammad Fizuli and other classics, as well as prominent contemporary writers and poets. Participants of music evenings to be held at the Centre on a regular basis will, along with Azerbaijani folk music, have the opportunity to listen to the works of Uzeyir Hajibayli, Gara Garayev, Fikrat Amirov, Arif Malikov and other famous composers, and enjoy the Azerbaijani mugam. During the exhibitions to be organized at the culture center, art lovers will be able to see the most interesting examples of Azerbaijani painting, sculpture and folk arts. One of the main objectives of the Center is to develop cooperation with culture, tourism and media institutions of Austria, establish close ties with the cultural centers of other countries already operating in this country, and contribute to intercultural dialogue.



The Cultural Center set up in Vienna is yet another important step undertaken by the First Lady of Azerbaijan, President of the Heydar Aliyev Foundation Mrs. Mehriban Aliyeva to promote the country abroad.

The new cultural center opens up opportunities for stepping up work in this area, manage it from a single point and ensure a more efficient operation.

We recall that the first Azerbaijani cultural center abroad was opened in Paris with the participation of President Ilham Aliyev in September last year. President Ilham Aliyev and his wife Mehriban Aliyeva left notes in the book of honorary guests of the Azerbaijan cultural center in Vienna. In conclusion, a photo was taken as a souvenir.

On 14 May 2013, President of the Republic of Azerbaijan Ilham Aliyev met with the President of the Federation of Austrian Industries, Georg Kapsch, and executives of large companies in Vienna.

The President of the Federation of Austrian Industries, Georg Kapsch, said:

-Mr. President!

Mr. Ambassador, ladies and gentlemen.

Thank you for the opportunity to speak directly to you. In fact, we were supposed to meet with you at the Federation of Austrian Industries, but due to your busy schedule, we are meeting here at the Imperial hotel.



We are very pleased that you are meeting with us during your first official visit to Austria. By the size of the territory, our countries are very similar, but in terms of natural resources Azerbaijan has a tangible advantage. Over the last year, the turnover has grown three times, which gives you further advantage. Now your exports to Austria exceed our exports to Azerbaijan. And we are happy to see an improvement of the situation. Our companies are interested in investing in Eastern Europe

and the countries located further east. I am sure that your visit to Vienna will further deepen our relations.

As you know, Europe is highly dependent on natural resources. There are no vast natural resources here, especially in Austria. So we have high hopes for supplies from Azerbaijan. Therefore, we hope that you will support some of the pipelines, in particular "Nabucco". You know yourself how important it is for us. We are very impressed with the fact that you have a small public debt - it is under 12 per cent. Our national debt exceeds 70 percent. This opens up opportunities and new horizons for investment, infrastructure and economic projects for you. This is a prerequisite for the industry. If necessary, we will support you. I think that we have historical ties with eastern countries. I believe that we know each other's mentality very well. Therefore, as compared to other countries of Western Europe, we are closer to each other.

And this gives us a great advantage. Thank you very much.

You have another advantage - your country is at the crossroads of transport routes. You are at the center of the transport network connecting the West with the East. This is a wonderful place in terms of traffic as well.

I express my deep gratitude to you for giving us this opportunity to come here. We are honored that you keep in touch with the Federation of Austrian Industries.

Addressing the meeting, President Ilham Aliyev said:

- Thank you. Thank you very much. I am very glad to see you.

Thank you for coming here to the hotel. As you have pointed out, I have a very busy schedule. Yesterday I had a lot of meetings and they were very important and fruitful. Today I carry on with my program. Yesterday, President Fisher and I participated in the Austrian-Azerbaijani business forum. It was the second such forum in less than two years. The first forum was held during the visit of President Fischer to Baku in 2011.

At the same time, we support even greater activity of the Azerbaijani and Austrian business community in the area of bilateral economic cooperation. Because having such excellent political relations we should take this opportunity to expand our economic cooperation.

Yesterday, President Fischer and I signed the Declaration of friendship and partnership. The name of the declaration speaks for itself. It is actually a friendship and a partnership. I fully agree with your words. There is a lot in common between our two countries and our people strive to know each other better. Thanks to the participation of Austrian companies in very important projects in Azerbaijan, a very positive public opinion about Austria, your people and, of course, the business community has developed in our country. Business circles are implementing not only significant projects for the development of infrastructure, but also create new architectural works of Baku. The new buildings in our capital attract attention because they are built with taste, are beautiful and, of course, have functional parameters.



You have mentioned the main directions of our economic development in the past. That was the energy sector. And this is natural. For a country that had just gained independence, it was the main road in terms of attracting investment. We have coped with this task. Currently, we are attracting investment to the non-oil sector. This is a priority. In the energy sector we have implemented practically all of our strategic projects.



We have opened a corridor for the Azerbaijani oil to flow to international markets and obtained access to regional gas markets. Currently, we are also working on the Southern Gas Corridor, which was initiated by Azerbaijan. To implement the Southern Gas Corridor, we have taken many practical steps and assumed financial commitments. For Europe, this project will mean supplies and for us access to a new, large, very reliable, predictable and

legally regulated market. This is a winning option for Europe and Azerbaijan in all respects. Of course, we are working with Austria both at the government level and at the level of companies. I am confident that we will continue our fruitful cooperation. You have correctly noted that Azerbaijan has a favorable geographical location. But without the support of the transport infrastructure and logistics this does not really mean much. We are investing a lot in establishing a transport hub in Baku. As for air transport and railways, at the present time Azerbaijan plays an important role in regional cooperation and in the region. As regards our support mission in Afghanistan, we are playing one of the most important roles in providing direct and easy access to Afghanistan and back. We are currently in the final phase of a large infrastructure project that envisages a rail link between Europe and Asia. We hope that by the end of this year we will fully complete the project and revive the historic Silk Road. The distance between China on the one hand and Europe on the other will become even shorter. Naturally, Azerbaijan will benefit from this situation. We have invested a lot in this project.

At present, our main goal is diversification. As you have pointed out, there is a very good financial situation. Our foreign debt is even less than you specified. The foreign debt accounts for 7 per cent of the country's gross domestic product.

Foreign exchange reserves are seven to eight times higher than the foreign debt. In other words, we can repay our foreign debt in a matter of one day and no-one will ever find out. But a certain portion of these funds is provided for the future and we need to use that. So we still borrow some funds.

But at the same time, we have already become a lender. For example, in January of this year we signed an agreement with the International Finance Corporation on the allocation of a loan of \$150 million for various projects. In short, the financial situation, the national currency and the investment climate are stable. By the volume of direct foreign investment per capita, we are in first place in the former Soviet Union. Of course, most of these investments have been channeled in the oil and gas sector. But we are currently developing other industries, including tourism and the service sector.

Austrian companies are helping us with the development of our infrastructure. In other words, we are pleased with the level of our cooperation so far. But at the present time, this cooperation is limited to contracting obligations. Austrian companies are involved mainly in major projects financed from the state budget and the private sector. I want to see more Austrian companies as investors, as the investment environment is very favorable.

There are also good opportunities. There are new projects in construction, tourism and heavy industry. We have created a new mechanism for attracting investment to the heavy industry. I am talking about the creation of technology parks. The information and communication technologies are rapidly developing. The companies investing a lot will enjoy preferential tax treatment.

Azerbaijan is developing the space industry. In February of this year, we launched our first satellite.

There is great potential in agriculture. Major investment is made in this sector from Europe. This is also very beneficial. It is very good both for the country and for investors. In other words, we have created a win-win situation from all points of view. Local and foreign investors are taking advantage of these opportunities. And so is the government.

Last year Azerbaijan received investment to the tune of \$22 billion. For our country this is a fairly large amount. Figures for the last five years have been similar. Much has been done. As you know, there are representatives of companies operating and planning to work in Azerbaijan here. I think that this format can be very effective for the consideration of the work done and the opportunities available.

There are members of the delegation who are responsible for different areas here. I think that they will hold fruitful discussions. Thank you very much for the meeting.

Then the heads of leading companies engaged in various sectors of the Austrian economy informed the President about the companies they represent. They spoke highly about the development processes ongoing in Azerbaijan. Company executives also expressed their interest in cooperating with Azerbaijan in the fields of high technology, infrastructure, agriculture, pharmaceuticals, energy, tourism, information and communication technology, other spheres and identifying new areas of interaction. The sides also exchanged views on the current state and prospects for cooperation.



As part of an official visit to Austria, President of the Republic of Azerbaijan Ilham Aliyev met with Director General of the UN Vienna Office Yury Fedotov. The head of state arrived at the UN Vienna Office.

Director General of the UN Vienna Office Yury Fedotov welcomed President Ilham Aliyev.

The meeting noted the contribution of Azerbaijan as a member of the UN Security Council to the activities of this organization, the UN in general and the overall processes. At the same time, the sides stressed the importance of the events held in Azerbaijan covering various activities of the United Nations. The sides exchanged views on issues of cooperation between Azerbaijan and the Vienna Office of the United Nations.

President of the Republic of Azerbaijan Ilham Aliyev met with the Executive Secretary of the Preparatory Commission of the Comprehensive Nuclear Test Ban Treaty in Vienna, Lassina Zerbo. The President first reviewed the activities of the international information center of the Preparatory Commission of the Comprehensive Nuclear Test Ban Treaty. The elected executive secretary of the Commission, Lassina Zerbo, thanked Azerbaijan for supporting the organization and informed the President about



the activities of its. During the meeting, the sides discussed issues of cooperation between Azerbaijan and the Preparatory Commission of the Comprehensive Nuclear Test Ban Treaty.



President of the Republic of Azerbaijan Ilham Aliyev met with the Director General of the UN Industrial Development Organization, Kandeh Yumkella. During the meeting, Director General Kandeh Yumkella recalled with satisfaction his visit to Azerbaijan. Touching upon the process of globalization, he spoke about the trends observed in the industry, energy and other fields, and the problems of concern for mankind. Speaking about the challenges of our time, the UN representative raised the problem of unemployment in the world.

President Ilham Aliyev spoke about the economic development ongoing in Azerbaijan, poverty reduction, creation of new jobs in the country and the measures taken in the energy and other fields, and described the country's overall progress. The sides exchanged views on the prospects for cooperation between Azerbaijan and the United Nations Industrial Development Organization. President Ilham Aliyev signed the book of distinguished guests.

President of the Republic of Azerbaijan Ilham Aliyev met with the Director General of the International Atomic Energy Agency, Yukiya Amano, in Vienna. The Director General of the International Atomic Energy Agency, Yukiya Amano, said that his organization attaches special importance to cooperation with Azerbaijan, which is an important partner in the area of nuclear security. He said that nuclear security was of particular importance at the present time. President Ilham Aliyev said that nuclear safety was important not only for Azerbaijan but also for the region and the world, noting that from this point of view the operation of the nuclear power plant in Armenia was of great concern. The head of state brought to the Director General's attention that the nuclear power plant poses a great threat to the region.



President Ilham Aliyev, who completed his meetings at the UN office in Vienna, was seen off by the Director General of the office, Yuri Fedotov.

The official visit of the President of the Republic of Azerbaijan Ilham Aliyev to the Republic of Austria has ended. President Ilham Aliyev was seen off at Vienna Schwechat Airport decorated with state flags of the two countries by senior state and government officials of Austria.

20-21.06.2013

Official visit to the Kingdom of Belgium

On 20 June 2013, President Ilham Aliyev left for the Kingdom of Belgium on a working visit.

On 21 June 2013, President of the Republic of Azerbaijan Ilham Aliyev met with the President of the European Council Herman Van Rompuy in Brussels. First President Ilham Aliyev and President Herman Van Rompuy posed for an official photo.

The sides expressed their satisfaction with the development of relations between Azerbaijan and the European Union in various fields. It was emphasized that the visit of President Ilham Aliyev would further promote bilateral cooperation. The parties exchanged views on ways to settle the Armenian-Azerbaijani Nagorno-Karabakh conflict, regional security and stability, cooperation in the energy sector and a number of other issues.

At the end of their meeting in Brussels, President of the Republic of Azerbaijan Ilham Aliyev and President of the European Council Herman Van Rompuy made statements for the press.

Statement by the President of the European Council Herman Van Rompuy

- Ladies and gentlemen!

I am pleased to welcome the President of Azerbaijan, Mr. Ilham Aliyev, again. We have already met several times. We last met during my visit to Baku on 15 July of last year, and I would like to thank you once again for the hospitality I enjoyed.

Today we had a sincere, broad and meaningful discussion. This discussion covered areas of mutual interest for Azerbaijan and the European Union, as well as the development of our relations.

Along with other topics, we also discussed the energy issue. I have expressed my satisfaction with the significant achievements of the Southern Gas Corridor, which is an important strategic project for both sides, and thanked President Ilham Aliyev for managing this project. Speaking more broadly, I have confirmed that Azerbaijan is an important partner for the European Union.



By cooperating in the energy sector, we have made great strides. But we can do more.

I have reiterated that the President of the European Council is determined to maintain long-term and substantive cooperation with Azerbaijan in the field of democracy and common values, including human rights and fundamental freedoms.

We have also reviewed and assessed the key activities to be implemented in 2013. One of them, of course, is the presidential election. The European Union hopes that this election

will be conducted in accordance with high standards. We have also reviewed progress in terms of the “Eastern Partnership”, and I have expressed my strong desire to establish a new relationship based on the Association Agreement.

Finally, we have discussed regional and international issues. During these discussions, the opinions of the President and the prospects have aroused my interest. As you would expect, I emphasized that the European Union believes that without a fair settlement of the Nagorno-Karabakh conflict stability in the South Caucasus cannot be achieved, and we continue to support the mediation efforts of the OSCE Minsk Group.

I said that I support the statement by the presidents of the OSCE Minsk Group co-chair countries which they were at the G8 summit in Lough Erne at the beginning of the week, where I also participated. The Presidents of the Minsk Group member-states have urged the leaders of the parties to commit themselves to the Helsinki principles, in particular the principles of non-aggression, rejection of the use of force, territorial integrity, equality and self-determination of peoples. They have urged the parties to refrain from any activity that may lead to increased tension in the region and an escalation of the conflict. I have also expressed my intention to enhance the current measures aimed at eliminating the gap between conflicting parties.

There are good relations between Azerbaijan and the European Union. Our long-term commitment is to further strengthen this relationship by working towards completion of the negotiations on the Association Agreement. With the help of the Association Agreement our relationship can realize their potential to the full extent.

Mr. President! Thank you for your visit.

Statement by President of the Republic of Azerbaijan Ilham Aliyev

- Thank you for the comments, Mr. President. And thank you for the invitation! I am very pleased to be here and to discuss important issues concerning our relations.

I also recall your visit to Azerbaijan. It was an important visit for our relations. It was the first visit of the President of the European Council to Azerbaijan. The discussions we held in Baku and here in Brussels before that are very important for a further development of our relations. Our approaches to this relationship are the same.

Azerbaijan wants to be as close as possible to Europe. Azerbaijan is an active member of the “Eastern Partnership” program. The closer we are to Europe, the more opportunities we will have for development, for democratic development. We are very grateful to European institutions for their cooperation in this area.

I believe that development in areas such as democratization and human rights helps Azerbaijan in the implementation of its political reforms in accordance with the highest international standards. Of course, as you pointed out, we have discussed this issue today. We will definitely continue to cooperate in these areas.



Mr. President, as you pointed out, we have covered a lot of issue today. In particular, we have discussed issues of regional stability, security and conflict settlement. We appreciate the statement made by the Presidents of the OSCE Minsk Group co-chair countries. We are grateful to them for the fact that they keep the settlement of the Armenian-Azerbaijani Nagorno-Karabakh conflict in the main part of the agenda and use such a prestigious forum as the G8 summit to express their attitudes and concerns. We fully support their statements with regard to the implementation of all the necessary steps to achieve a speedy resolution of the conflict.

The reference to the Helsinki Final Act is extremely important. The Helsinki Final Act explicitly defines the principles on which the conflict must be resolved. The self-determination of peoples must not contradict the territorial integrity of countries. As for the Armenians, they have already completed the process of self-determination. The state of Armenia already exists. The self-determination of the Armenian people for the second time on the territory of Azerbaijan is unacceptable. Azerbaijan is interested in the speediest settlement of the conflict based on international law, including four UN Security Council resolutions demanding an immediate and unconditional withdrawal of Armenian troops from the internationally recognized territory of Azerbaijan.

Today, we have also extensively discussed the issue of energy security. Azerbaijan is already considered an important partner of European institutions in the field of energy security. Positive progress has been made in this area since our last meeting. The announcement of the TANAP project will create additional opportunities for the successful implementation of the Southern Gas Corridor project. We do hope that the decisions to be made in the near future will create further conditions for the implementation of this important energy project that will completely change the energy map of Europe. In this case all parties will benefit. Azerbaijan will determine a long-term and predictable gas market in Europe. Europe, for its part, will obtain an alternative source of gas supplies from Azerbaijan for decades to come. The close partnerships in this area, in particular the steps being taken to create the Southern Gas Corridor, are very important to the success of this project.

Of course, we have also discussed the issues of regional security and stability. I think that Azerbaijan is playing an increasingly stabilizing role in the region. We do hope that we will see many positive changes in the coming years. In short, Mr. President, I express my gratitude to you again for the hospitality and for the opportunity to see each other. I believe that the successful cooperation between Azerbaijan and the European Union will be continued. As you said, it is a good relationship. We must work together to further improve these good relations and make them excellent.

During the visit President Ilham Aliyev met with European Commission President Jose Manuel Barroso in Brussels.

The parties expressed their satisfaction with the development of relations between Azerbaijan and the European Commission. It was stressed that there was good potential for a further expansion of cooperation in the economic and energy spheres. The sides exchanged views on the current state and prospects of bilateral relations.



After meeting President of the Republic of Azerbaijan Ilham Aliyev and European Commission President Jose Manuel Barroso held a joint press conference.

Statement by European Commission President Jose Manuel Barroso

- Hello, ladies and gentlemen!

I am very glad to welcome President Ilham Aliyev to Brussels. Today, President Aliyev and I, in continuation of a fruitful exchange of views and reciprocal visits we have had in recent years, held a very open, constructive and friendly discussion. We have met a few times. This also includes my visit to Baku.

Today the focus was on energy issues. At the same time, we have reviewed the developments in Azerbaijan and the European Union.

Azerbaijan is a very important partner for us. We have established a reliable cooperation in the energy sphere. Governed by this, we have embarked on a long-term cooperation based on democracy and shared values, in particular human rights and fundamental freedoms. I have reaffirmed my support for Azerbaijan along this way.

I would like to say a few words about the strategic energy cooperation. Of course, we have discussed in detail the Southern Gas Corridor. We are both very pleased with the development of the Southern Gas Corridor achieved over the period since the signing of the joint declaration in 2011. We have worked hard to implement this project of strategic importance for both Azerbaijan and Europe. I want to express my gratitude to President Aliyev for his strong and sustained commitment. I very well remember the discussions we held during our meeting in Baku. Azerbaijan is fulfilling all the obligations undertaken over this period, and I am proud with the fact that this development is underpinned by the declaration we signed with President Aliyev.

President Ilham Aliyev has assured me that, as planned, the "Shah Deniz-2" consortium will decide on the very important European branch of the corridor next week and will choose one of the two options: "Nabucco West" or the Trans-Adriatic Pipeline.

In essence, this is a commercial solution for the consortium. But I would like to emphasize that both "Nabucco West" and the Trans-Adriatic Pipeline represent strategic importance to the European energy market in terms of diversification of gas supplies. Therefore, I am sure that both lines can be built. We can accomplish this by expanding the Southern gas corridor with additional resources of gas existing at the present time. This may become a fully viable option.

An important message of this day may be as follows: the Southern gas corridor is not some theoretical project on the agenda. This is a project that is close to being materialized. It will be implemented for the benefit of all parties involved. At the initial phase, it will transport 10 billion cubic meters of gas to Europe until 2019.

But we will not be content with that. In the medium term, the corridor can meet 10 per cent of the annual needs of Europe, thus contributing to our energy security, price stability, development and creation of new jobs. This, as we agreed with President Ilham Aliyev in 2011, is our common view. We will work on this to strengthen our mutual security of supplies.

We believe that is in the interests of Europe and Azerbaijan.

Ladies and gentlemen!



As I mentioned earlier, we have had discussions on a wide range of issues. Azerbaijan is an important partner with which we work closely in a number of regional and global matters. We have also considered the issue of Azerbaijan's chairmanship of the Council of Europe in the coming year. We have shared views on important domestic issues in Azerbaijan. The main place in the list belongs to the presidential election. We have expressed hope that the election will be held in accordance with

the highest standards and with the support of international observers, including the OSCE Office for Democratic Institutions and Human Rights.

Protection of human rights and fundamental freedoms is high on our agenda. We have openly discussed these issues and I availed myself of this opportunity to note that stability and peace can continue in the long term only in the conditions of the rule of law, the existence of democratic institutions and, of course, a vibrant civil society.

At the same time, we have discussed the development of our relations in the context of the "Eastern Partnership". I share the commitment of President Ilham Aliyev to expand our relations in this context.

We have also discussed economic issues. These include Azerbaijan's development plan and progress on the issue of the country's membership in the World Trade Organization. We are in favor of deepening our trade ties through the creation of a deep and meaningful bilateral free trade zone. And to do this, membership in the World Trade Organization is very important.

Finally, we have discussed the situation in the region. We know that complete realization of their potential requires countries of the region to ensure security and peace with their neighbors. At the same time, we call for a just settlement of the Nagorno-Karabakh conflict in accordance with the agreed principles. The European Union supports the international mediation efforts of the OSCE Minsk Group and stands ready to play a role in the search for a lasting settlement.

President Aliyev!

2013 is the year of great opportunities for the relations between the European Union and Azerbaijan. I am an advocate of the energy cooperation with your state, which has become a great starting point. I have great respect for your country and am in favor of broader and deeper relations underpinned by common values.

Thank you!

Statement by President of the Republic of Azerbaijan Ilham Aliyev

- Mr. President, thank you very much for your comments! Let me express my gratitude for the invitation to pay a visit to Brussels. This is my fifth visit to the European Commission. This fact is evidence of our extensive and close relationship.

We highly value our relationship. As Mr. President has said, they are based on common interests and values. We, as friends, have discussed issues of our cooperation, as well as matters of regional importance. I want to thank you personally, Mr. President, and your Commission for the sustained support you have given to Azerbaijan in issues of democratic development, protection of human rights and political reforms. Your suggestions and advice, as well as the contacts between us, are extremely important. They contribute to changes in Azerbaijan. The process of change is ongoing very rapidly. This process covers political and, of course, economic reforms. Both directions complement each other. We have also established economic cooperation. The European Union is our major trading partner. Our trade with member-states is growing. In addition, the "Eastern Partnership" program provides us with the opportunity to support the initiatives being put forward. We greatly appreciate these initiatives. I believe that the involvement on the part of European institutions of the former Soviet republics with this cooperation was an important step. Azerbaijan is an active member of the "Eastern Partnership" group. We are currently working on a new format of cooperation between the European Union and Azerbaijan. We have a broad agenda which covers many areas. Azerbaijan is already beginning to invest in European countries. If we look at the structure of our investments, we will see that they are related not only to the energy sector. There are also other areas of mutual interest.



Europe has also been investing heavily in our country for many years. This investment helps us to diversify our economy and modernize our country.

As Mr. President has stressed, we have discussed issues relating to the settlement of the conflict, and from this point of view we appreciate the efforts of the European Union. Azerbaijan is the country most interested in this process, because our lands are under occupation. Not only Nagorno-Karabakh but also seven districts around it have been under Armenian occupation for more than 20 years. We must put an end to this.

We are very encouraged by the statement made by the Presidents of the OSCE Minsk Group co-chair countries in Northern Ireland recently. It was noted that the settlement of the issue should be based on the Helsinki Final Act. Both sides should refrain from actions that could jeopardize the negotiation process. Azerbaijan wants the speediest settlement of the conflict on the basis of the principles of international law and four UN Security Council resolutions demanding an immediate and unconditional withdrawal of the occupying forces of Armenia from the internationally recognized territory of Azerbaijan.

Of course, energy cooperation is one of the most important components of our relations. I am glad that after the signing, together with President Barroso, of the Declaration on strategic cooperation in the energy sector in Baku at the beginning of 2011, we are currently seeing its practical results. This declaration has played a major role in the implementation of the gas corridor. I would like to thank President Barroso and his team for their very ac-

tive participation in this process and coordination. This project will create stronger relations between Europe and Azerbaijan. This will be a win-win situation for all the parties involved. Azerbaijan will find a predictable and stable market in Europe, while Europe will obtain an alternative source of gas supplies from Azerbaijan.

We do hope that gas exports from Azerbaijan to Europe will not be limited to the "Shah Deniz-2" project. After all, we have more than 2 trillion cubic meters of proven gas reserves. As I said, Europe will become an important market for Azerbaijani gas. The Southern Gas Corridor is a project that serves energy security. This project will change the energy map of Europe and open up additional opportunities for our country and countries of the region to benefit from economic cooperation. I think that the issues we have identified explicitly show how substantive our agenda is: regional cooperation, security, political reform, democratic process and energy cooperation. All these elements form the basis for raising our relations to a higher level. Azerbaijan is interested in that. We want to be as close to Europe as possible. We are very glad to see a similar approach on the part of Europe.

Mr. President, thank you very much again for your invitation and for the hospitality!

Then the Presidents answered questions from journalists.

Correspondent of Radio "Free Europe" Richard Jozviak: My question is to Mr. Aliyev. How can you be sure that the election due in October of this year will be free, fair and transparent if we consider that one of your political opponents, Mr. Mammadov, is under arrest?

My other question is to Mr. Barroso. If we consider the situation with democracy and human rights in Azerbaijan, do you think it is right to sign the Association Agreement between this country and the European Union?

President Ilham Aliyev: First of all, let me say that none of my political opponents is under arrest. This is completely wrong information. I would also like to note that there are no political prisoners in Azerbaijan. If you carefully read the comments made by the Parliamentary Assembly of the Council of Europe, which in January refused to adopt a report on political prisoners in Azerbaijan, you will realize that this topic is closed. No-one is arrested for political reasons in Azerbaijan. The freedom of assembly is fully guaranteed, and the same holds true for the freedom of the media. We have free Internet. In Azerbaijan, the number of Internet users exceeds 70 per cent of the population. There is no censorship.

All political parties operate openly and freely. Azerbaijan has been a member of the Council of Europe for more than 10 years. As Mr. President said, next year we will preside over this important organization. We fully comply with all our commitments to democratic development, human rights and freedoms. Therefore, the assessment contained in your question is based on wrong information, a negative opinion or an erroneous view about our country, which has been created in you artificially. Azerbaijan is a democratic and rapidly developing country which carries out political reform, works closely with the Council of Europe and the European Union. As for the presidential election, there is still a lot of time left for it.

The election campaign has not yet begun. Azerbaijan will invite international observers from Europe and European institutions. All candidates will enjoy the necessary conditions to introduce themselves and their programs to the Azerbaijani people. I am confident that these elections will fully reflect the will of the Azerbaijani people. To do this, the state will do everything possible.

Jose Manuel Barroso: Thank you. The issue of democracy and human rights is key in the relations between the EU and all international partners. We have discussed this issue very frankly and openly. We do this with all countries of the world.

We are well aware that democracy is an issue that is always on our agenda. By the way, this applies to us, to Europe, too. In many cases, as I told our international partners, Europe is also imperfect. We must be careful in ensuring the highest standards in all member states and partner countries. These values are a major part of the European policy and the "Eastern Partnership" program. As President Aliyev said, Azerbaijan is actively involved in the "Eastern Partnership".

These values have been adopted by all partners in their policies and are part of the "Eastern Partnership" program adopted at the Prague Summit. Therefore, we believe that countries should respect these values. In fact, we are discussing this issue with our partners, including Azerbaijan. As I said, President Aliyev and I have had an open discussion on this issue today.

It is very important for the deepening of our relationship within the framework of the "Eastern Partnership". I would also like to add the following to this comment. A few years ago, Azerbaijan was part of the Soviet Union, where there was a totalitarian regime. There was no freedom at all at the time.

Thus, if you look at the situation in Azerbaijan today, an independent and sovereign country I have great respect for, you will see the road Azerbaijan has covered over the years. And we must recognize the tremendous progress achieved. But this does not mean that all the standards have been met the way we expected, and from this point of view we have had a very useful exchange of views with President Aliyev. Of course, Azerbaijan is our partner. I truly believe that an open discussion involving all possible means is the best way to resolve the issues. Of course, it is necessary to support all democratic reforms. I personally believe, this is my personal opinion, that President Aliyev as the head of sovereign Azerbaijan is very committed to the modernization of the country. He pays special attention to the image and credibility of this country.

The country has indeed made very significant progress. I believe that without the development of civil society it is impossible to achieve modernization. This is part of an ongoing dialogue we maintain with Azerbaijan and other partners. You can see that each country has a specific position in terms of history, geography and the challenges it faces. There are many reasons. From this point of view, I think that the partnership we have with Azerbaijan is the right partnership, including, among other things, the concerns noted in your question. This worries us too. This is a topic that is in the forefront of the priority issues we are discussing with our friends in Azerbaijan and with President Aliyev today.

Correspondent of 1news Rahman Hajiyev: As His Excellency noted, no-one is perfect and flawless. We see this also in Europe from time to time. In Europe too peaceful demonstrations are brutally suppressed by the police. This has happened in two places - in Frankfurt and London, and before that in Greece and several other countries. My question is this: how would you comment on such selective resolutions and declarations of European institutions and officials adopted on the basis of double standards? I would like to add that when it occurs outside of Europe, the reaction follows immediately and without delay. But when this happens in Europe, these persons remain silent. Thank you.

Jose Manuel Barroso: You have made a very peculiar statement. In fact, it looks more like a statement than a question. I can say the following. Speaking on behalf of the European Commission, I can say that the European Commission is trying to be as objective as possible when it comes to issues of human rights and the rule of law. We are paying special attention to our reputation in this area. We are trying to be objective. We have been doing this work in recent years, including within the European Union. I am talking about the rule of law in some member states. The European Commission has very clearly and explicitly expressed its concern. In some cases, when the laws of the Union are broken, we sue the member state. Frankly speaking, you can't accuse the European Commission of double standards.

As far as your impressions and the experiences of people like you in the media and in the public opinion are concerned, I can partly understand that. The reality is that stereotypes exist. This is the case all over the world - not only in Europe but throughout the world. Such stereotypes must be eliminated. You know that. As for the idea that some societies are superior to others and that some states are more important than others, you know, for me all countries of the world are the same.

Let's return to democracy and the rule of law. You have named some countries. Frankly speaking, we have high standards in providing the fundamental freedoms and the rule of law in Europe and the European Union. I believe that no-one has any doubts about that. There are some problems here and in other places. No-one is perfect. But we are proud to note that the European Union has a proper form of democracy. I say this with full confidence. I was born in a country where there was no democracy.

When I was 18, I witnessed the fall of an authoritarian regime that had existed for more than 48 years.

Then we began to build democracy. Absolute democracy was established in my country. In Spain and other countries, as well as in Central and Eastern Europe, there is democracy. Previously, there was no democracy there. They were under Soviet influence. And now there is democracy. Let's be honest, human rights and democracy in the countries of Europe and the European Union are provided at a high level. But this does not mean that when a problem arises, we should not be careful. As for our partners, I think that these are global values which are reflected in the Universal Declaration of Human Rights and important international conventions. We must openly discuss this issue. I am absolutely sure that it is not people who should serve the state, but the state should serve the people, everyone - man, woman and child.

It is important to remember that. This is not an ideology. You can be "leftist", "rightist" or a centrist. It is important that you need to serve the people - men, women and children. The state should serve their interests. We are engaged in these discussions with our partners, and I am glad that Azerbaijan is committed to political reform, democracy and the rule of law, and President Aliyev has just noted that in his speech.

MEETINGS OF THE PRESIDENT OF AZERBAIJAN H.E. Mr. ILHAM ALIYEV

- 02.04.2013 President Ilham Aliyev received the co-chairs of the OSCE Minsk Group Igor Popov (Russia), Ian Kelly (USA), Jacques Faure (France), as well as the special representative of the OSCE chairman-in-office, Andrzej Kaspzyk
- 02.04.2013 President Ilham Aliyev received a delegation led by the Director General of the Border Service of the Kingdom of Saudi Arabia, Zimey Juvebir bin As-Savvat
- 03.04.2013 President Ilham Aliyev received a delegation led by the Deputy Speaker of the House of Commons of Canada and chairman of the Canada-Azerbaijan friendship group, Barry Devolin
- 07.04.2013 President Ilham Aliyev received the founder and executive chairman of the Davos Economic Forum, Klaus Schwab
- 08.04.2013 President Ilham Aliyev received Prime Minister of the Republic of Lithuania, Algirdas Butkevicius
- 08.04.2013 President Ilham Aliyev received Chief Executive Officer of Statoil, Helge Lund
- 08.04.2013 President Ilham Aliyev received Prime Minister of the Republic of Albania, Sali Berisha
- 09.04.2013 President Ilham Aliyev received members of the board of the European Bank for Reconstruction and Development
- 10.04.2013 President Ilham Aliyev received the Ambassador Extraordinary and Plenipotentiary of Brazil to Azerbaijan, Sergio De Souza Fontes Arruda, at the end of his diplomatic mission in the country
- 11.04.2013 President Ilham Aliyev received a delegation led by Deputy Prime Minister and Minister of Foreign and European Affairs of the Slovak Republic, Miroslav Lajcak
- 11.04.2013 President Ilham Aliyev received a delegation led by Vice Prime Minister of the Republic of Ukraine, Kostyantyn Hryshchenko
- 11.04.2013 President Ilham Aliyev received a delegation led by the Minister of Forestry and Water of the Republic of Turkey, Veysel Eroglu
- 12.04.2013 President Ilham Aliyev received a delegation led by the Prosecutor General of China and President of the International Association of Anti-Corruption Authorities, Cao Jianming
- 12.04.2013 President Ilham Aliyev received a delegation led by the Federal Councilor and Minister for Economic Affairs, Education and Research of Switzerland, Johann Schneider-Ammann
- 15.04.2013 President Ilham Aliyev received the Chief Executive Officer of "ASRTIUM", Francois Aukue, and the Director for International Development of "European Aeronautic Defense and Space", Jean-Pierre Talamoni

- 16.04.2013 President Ilham Aliyev received a delegation led by the Chairman of the House of Representatives of the Parliament of Indonesia, Marzuki Alie
- 17.04.2013 President Ilham Aliyev received the Deputy Assistant Secretary of State in the Bureau of Democracy, Human Rights and Labor at the United States Department of State, Thomas Melia, and Assistant Administrator of the Bureau for Europe and Eurasia of the US Agency for Independence Development, Alexander Paige
- 17.04.2013 President Ilham Aliyev received a delegation led by the Deputy Chairman of the Chamber of Deputies of the Czech Republic and Chairman of the Czech Republic-Azerbaijan friendship group, Jan Hamacek
- 18.04.2013 President Ilham Aliyev accepted the credentials of the newly appointed Ambassador Extraordinary and Plenipotentiary of the Republic of Argentina to Azerbaijan, Carlos Dante Riva
- 18.04.2013 President Ilham Aliyev accepted the credentials of the newly appointed Ambassador Extraordinary and Plenipotentiary of the Republic of Macedonia to Azerbaijan, Goran Taskovski
- 19.04.2013 President Ilham Aliyev received a delegation led by Prime Minister of the Republic of Macedonia, Nikola Gruevski
- 23.04.2013 President Ilham Aliyev received a delegation led by the Chairman of the Board of Managing Directors of the "Commerzbank AG" bank, Martin Blessing
- 23.04.2013 President Ilham Aliyev received participants of the Baku conference "Muslims of the CIS for peace and sustainable development"
- 25.04.2013 President Ilham Aliyev received the Secretary-General of the Organization of Islamic Cooperation, Ekmeleddin Ihsanoglu
- 25.04.2013 President Ilham Aliyev received a delegation led by Minister of Foreign Affairs of the Republic of Romania, Titus Corlatean
- 30.04.2013 President Ilham Aliyev received a delegation led by Foreign Minister of Greece, Dimitris Avramopoulos
- 30.04.2013 President Ilham Aliyev received the Director General and Chief Executive Officer of the International Air Transport Association (IATA), Tony Tyler
- 01.05.2013 President Ilham Aliyev received a delegation led by the Commander of the US Transportation Command, William Fraser
- 01.05.2013 President Ilham Aliyev received a delegation led by the chairman of the Political Group of European Conservatives and Reformists of the European Parliament, Martin Callanan
- 02.05.2013 President Ilham Aliyev accepted the credentials of the newly appointed Ambassador Extraordinary and Plenipotentiary of the Islamic Republic of Pakistan to Azerbaijan, Ikramullah Mehsud

- 02.05.2013 President Ilham Aliyev received a delegation led by the EU Enlargement and European Neighborhood Policy Commissioner, Stefan Fule
- 02.05.2013 President Ilham Aliyev received by President, Robert Dudley
- 04.05.2013 President Ilham Aliyev received the former prime minister of the State of Israel, Ehud Barak
- 05.05.2013 President Ilham Aliyev received a delegation led by the Special Representative of the OSCE Parliamentary Assembly for the South Caucasus, Joao Soares
- 06.05.2013 President Ilham Aliyev received former President of Latvia, Valdis Zatlers
- 06.05.2013 President Ilham Aliyev received the former President of Uruguay, Luis Alberto Lacalle
- 07.05.2013 President Ilham Aliyev received Her Majesty Queen Noor of Jordan
- 07.05.2013 President Ilham Aliyev received the former Romanian President, Emil Constantinescu
- 07.05.2013 President Ilham Aliyev received the former Minister of Foreign Affairs and a Member of Parliament of Greece, Theodora Bakoyannis
- 21.05.2013 President Ilham Aliyev received a delegation led by the Minister of Defense of Spain, Don Pedro de Morenés y Álvarez de Eulate
- 21.05.2013 President Ilham Aliyev received the Minister of Internal Affairs of the Republic of Georgia, Irakli Gharibashvil
- 21.05.2013 President Ilham Aliyev received a delegation led by the Minister of National Education of the Republic of Turkey, Nabi Avci
- 22.05.2013 President Ilham Aliyev received a delegation led by the Chairman of the House of Representatives of the Uruguayan Parliament, Herman Cardoso
- 22.05.2013 President Ilham Aliyev received the Minister of Foreign Affairs of the Republic of Gambia, Susan Waffa-Ogoo
- 23.05.2013 President Ilham Aliyev received NATO Assistant Secretary General Gabor Iklody
- 23.05.2013 President Ilham Aliyev received a delegation led by the Vice Speaker of the National Assembly of the Republic of Korea, Park Byeong-seug
- 23.05.2013 President Ilham Aliyev received the co-chairs of the OSCE Minsk Group, Igor Popov (Russia), Ian Kelly (USA) and Jacques Faure (France), as well as the special representative of the OSCE chairman-in-office, Andrzej Kaspzyk

- 24.05.2013 President Ilham Aliyev received the Chairman of the European Parliament's Committee on Foreign Affairs, Elmar Brok
- 26.05.2013 President Ilham Aliyev received a delegation led by the President of the Parliamentary Assembly of the Council of Europe, Jean-Claude Mignon
- 29.05.2013 President Ilham Aliyev received US Senator, Richard Lugar
- 30.05.2013 President Ilham Aliyev received UNESCO Director General, Irina Bokova
- 30.05.2013 President Ilham Aliyev received ISESCO Director General, Abdulaziz Othman Altwajri
- 30.05.2013 President Ilham Aliyev received the head of the UN Alliance of Civilizations and the High Representative of the UN Secretary General, Nassir Abdulaziz Al-Nasser
- 30.05.2013 President Ilham Aliyev received a delegation led by the Minister of Foreign Affairs of Afghanistan, Zalmay Rassoul
- 30.05.2013 President Ilham Aliyev received a delegation led by the Deputy Chairman of the Senate Select Committee on Intelligence, US Senator, Saxby Chambliss
- 31.05.2013 President Ilham Aliyev received the former Prime Minister and Minister of Foreign Affairs of the Republic of Italy, Lamberto Dini
- 31.05.2013 President Ilham Aliyev received the former President of Croatia, Stipe Mesic
- 31.05.2013 President Ilham Aliyev received the former President of the Republic of Bulgaria, Georgi Parvanov
- 31.05.2013 President Ilham Aliyev received the former President of the Republic of Serbia Boris Tadic
- 31.05.2013 President Ilham Aliyev received a delegation led by the member of the House of Commons of the United Kingdom, chairman of the UK-Azerbaijani Inter-parliamentary Group, Christopher Pincher
- 03.06.2013 President Ilham Aliyev received the chairman of the Committee on International Relations of the State Duma of the Russian Federation and the head of the Russian delegation to the Parliamentary Assembly of the Council of Europe, Aleksey Pushkov
- 03.06.2013 President Ilham Aliyev received the Ambassador Extraordinary and Plenipotentiary of the Russian Federation to Azerbaijan, Vladimir Dorokhin
- 04.06.2013 President Ilham Aliyev received a delegation led by a member of the British Parliament and the envoy of the Prime Minister for issues of Commerce in Azerbaijan, Kazakhstan and Turkmenistan, Charles Hendry

- 04.06.2013 President Ilham Aliyev has received US Deputy Assistant Secretary for Energy Diplomacy, Amos Hochstein
- 05.06.2013 President Ilham Aliyev received the Secretary of the National Security and Defense Council of the Republic of Ukraine, Andriy Klyuyev
- 05.06.2013 President Ilham Aliyev received the former President of the Republic of Moldova, Vladimir Voronin
- 06.06.2013 President Ilham Aliyev received the former Minister of Foreign Affairs of Germany, Hans-Dietrich Genscher
- 06.06.2013 President Ilham Aliyev received the Representative of the European Union in the country, Roland Kobia, at the end of his mission in Azerbaijan
- 10.06.2013 President Ilham Aliyev received the Minister of Foreign Affairs of Bosnia and Herzegovina, Zlatko Lagumdžija
- 10.06.2013 President Ilham Aliyev received the Minister of Foreign Affairs of the Republic of Belarus, Uladzimir Makei
- 10.06.2013 President Ilham Aliyev received a delegation led by the Minister of Foreign Affairs of the People's Republic of Bangladesh, Dipu Moni
- 10.06.2013 President Ilham Aliyev received a delegation led by the Minister of Internally Displaced Persons and Refugees from the occupied territories of the Republic of Georgia, Davit Darahvelidze
- 10.06.2013 President Ilham Aliyev received the Minister of Awqaf and Islamic Affairs of Morocco, Ahmed Toufiq
- 10.06.2013 President Ilham Aliyev received the Minister of Foreign Affairs of the State of Palestine, Riad Malki
- 11.06.2013 President Ilham Aliyev received the co-rapporteurs of the Monitoring Committee of the Parliamentary Assembly of the Council of Europe, Pedro Agramunt Font de Mora and Joseph Debono Grech
- 11.06.2013 President Ilham Aliyev received a delegation led by the Secretary General of the Gulf Cooperation Council, Abdullatif bin Rashid Al Zayani
- 11.06.2013 President Ilham Aliyev received a delegation led by the Minister of Foreign Affairs of the Arab Republic of Egypt, Mohammed Kamel Amr
- 11.06.2013 President Ilham Aliyev received the Minister of Foreign Affairs of Malaysia, Anifah Aman.
- 11.06.2013 President Ilham Aliyev received the Minister of Foreign Affairs of the Republic of Turkey, Ahmet Davutoglu

- 11.06.2013 President Ilham Aliyev received the Secretary General of the Organization of Islamic Cooperation, Ekmeleddin Ihsanoglu
- 11.06.2013 President Ilham Aliyev received the Prosecutor General of the Republic of Turkey, Hesen Erbil
- 12.06.2013 President Ilham Aliyev received the EU Special Representative for the South Caucasus, Philippe Lefort
- 25.06.2013 President Ilham Aliyev received the Ambassador Extraordinary and Plenipotentiary of the Kingdom of the Netherlands to Azerbaijan, Arjen Peter Uijterlinde, in connection with the completion of his diplomatic mission in the country
- 25.06.2013 President Ilham Aliyev received the British Parliamentary Under-Secretary of State for Defense responsible for International Security Strategy, Andrew Murrison
- 27.06.2013 President Ilham Aliyev has received a delegation led by Romanian Prime Minister, Victor Ponta
- 28.06.2013 President Ilham Aliyev received a delegation led by the co-chairman of the expert group on external relations of the European People's Party, the former Minister of Foreign Affairs of Italy, Franco Frattini
- 28.06.2013 President Ilham Aliyev accepted the credentials of the newly-appointed Ambassador Extraordinary and Plenipotentiary of the Kingdom of Saudi Arabia to Azerbaijan, Musaid bin Ibrahim bin Abdullah Al-Salim
- 01.07.2013 President Ilham Aliyev received a delegation led by the US Deputy Assistant Secretary of Defense for Russia, Ukraine and Eurasia, Evelyn Farkas
- 01.07.2013 President Ilham Aliyev received a delegation led by the Chairman of the Council of States of the Federal Assembly of the Swiss Confederation, Filippo Lombardi
- 02.07.2013 President Ilham Aliyev received the Ambassador Extraordinary and Plenipotentiary of the Republic of Greece to Azerbaijan, Ioannis Metaxas, at the end of his diplomatic mission in the country
- 02.07.2013 President Ilham Aliyev received the Ambassador Extraordinary and Plenipotentiary of Belgium to Azerbaijan, Luc Truyen, at the end of his diplomatic mission in the country
- 03.07.2013 President Ilham Aliyev received Ambassador Extraordinary and Plenipotentiary of the Republic of Italy to Azerbaijan, Mario Baldini, at the end of his diplomatic mission in the country
- 04.07.2013 President Ilham Aliyev received a delegation led by the US Senator and a member of the Armed Services Subcommittee, Roger Wicker

- 05.07.2013 President Ilham Aliyev received a delegation led by the Speaker of the Parliament of the Republic of Croatia, Josip Leko
- 05.07.2013 President Ilham Aliyev received the President of the Russian oil company "Rosneft", Igor Sechin
- 07.07.2013 President Ilham Aliyev received the Minister of Internal Affairs of Afghanistan, Ghulam Mujtaba Patang
- 08.07.2013 President Ilham Aliyev received a delegation led by the Minister of Foreign Affairs of the Republic of Colombia, María Ángela Holguín Cuéllar
- 17.07.2013 President Ilham Aliyev received the Minister of Foreign Affairs of the Republic of Turkey, Ahmet Davutoglu
- 17.07.2013 President Ilham Aliyev received the credentials of the newly appointed Ambassador Extraordinary and Plenipotentiary of the Swiss Confederation, Pascal Aebischer, to Azerbaijan
- 20.07.2013 President Ilham Aliyev received ambassadors and heads of diplomatic missions of Muslim countries to Azerbaijan over the holy month of Ramadan
- 26.07.2013 President Ilham Aliyev received a delegation led by the EU Special Representative for the South Caucasus, Philippe Lefort
- 06.08.2013 President Ilham Aliyev received the credentials of a newly appointed Ambassador Extraordinary and Plenipotentiary of the Federal Republic of Germany to Azerbaijan, Heidrun Tempel
- 28.08.2013 President Ilham Aliyev received the Ambassador Extraordinary and Plenipotentiary of the State of Kuwait to Azerbaijan, Hassan Abdolbari al-Zawawi, at the end of his diplomatic mission in the country
- 29.08.2013 President Ilham Aliyev received a delegation led by Mayor of Ljubljana Zoran Jankovic. The delegation also included the Minister of Defense of Slovenia, Roman Jakic, and the Minister of Economic Development and Technology, Stanko Stepisnik
- 03.09.2013 President Ilham Aliyev has accepted the credentials of a newly appointed Ambassador of the Kingdom of Belgium to Azerbaijan, Carine Petit
- 03.09.2013 President Ilham Aliyev accepted the credentials of a newly appointed Ambassador of the Italian Republic to Azerbaijan, Giampaolo Cutillo
- 03.09.2013 President Ilham Aliyev accepted the credentials of a newly appointed Ambassador of Greece to Azerbaijan, Dimitrios Tsoungas
- 03.09.2013 President Ilham Aliyev received the credentials of a newly appointed Ambassador Extraordinary and Plenipotentiary of the Kingdom of the Netherlands to Azerbaijan, Robert Jan Gabrielsen

- 06.09.2013 President Ilham Aliyev received the credentials of a newly appointed Ambassador Extraordinary and Plenipotentiary of the Hashemite Kingdom of Jordanto Azerbaijan, Adel Mohammad Adaileh
- 09.09.2013 President Ilham Aliyev received the newly appointed US co-chair of the OSCE Minsk Group, James Warlick
- 09.09.2013 President Ilham Aliyev received the participants of the 70th meeting of the CIS Council of Border Troops Commanders
- 09.09.2013 President Ilham Aliyev received the head of the CIS mission to observe presidential elections in Azerbaijan and the head of the Russian State Duma Committee on CIS Affairs and Relations with Compatriots, Leonid Slutskiy
- 11.09.2013 President Ilham Aliyev received members of the Special Committee's pre-election mission of the Parliamentary Assembly of the Council of Europe for the observation of the presidential election in Azerbaijan
- 11.09.2013 President Ilham Aliyev received the Ambassador Extraordinary and Plenipotentiary of the Republic of Lithuania to Azerbaijan, Arturas Zurauskas, at the end of his diplomatic mission in the country
- 12.09.2013 President Ilham Aliyev received the credentials of a newly appointed Ambassador Extraordinary and Plenipotentiary of the Republic of Sudan to Azerbaijan, Mohammad Elias Mohammad al-Haq
- 12.09.2013 President Ilham Aliyev received the credentials of a newly appointed Ambassador Extraordinary and Plenipotentiary of the United Kingdom of Great Britain and Northern Ireland to Azerbaijan, Irfan Siddiq
- 16.09.2013 President Ilham Aliyev received the Special Coordinator for the observation of presidential elections in Azerbaijan appointed by the OSCE Chairman in Office and the head of the France-Azerbaijan friendship group of the National Assembly of France, Thierry Mariani
- 23.09.2013 President Ilham Aliyev received the President of the Conference of European National Libraries, Bruno Racine, and the Vice-President of the Assembly of Eurasian Libraries, Gulisa Balabekova
- 24.09.2013 President Ilham Aliyev received the head of the election observation mission of the OSCE Office for Democratic Institutions and Human Rights, Tana de Zulueta
- 26.09.2013 President Ilham Aliyev received a delegation led by the envoy of the Prime Minister of Great Britain on trade and member of the House of Lords, Lord Risby



DIPLOMATIC ACTIVITY OF THE MINISTER OF FOREIGN AFFAIRS OF THE REPUBLIC OF AZERBAIJAN, H.E. Mr. ELMAR MAMMADYAROV IN SECOND AND THIRD QUARTER OF 2013

VISITS BY THE MINISTER OF FOREIGN AFFAIRS OF THE REPUBLIC OF AZERBAIJAN, H.E. Mr. ELMAR MAMMADYAROV

21 – 23.04.2013

Working visit to the Middle East

On 21 April 2013, Minister Elmar Mammadyarov met with Riyad Al Maliki, Foreign Minister of Palestine.



Welcoming Azerbaijani delegation to Palestine, Palestinian Foreign Minister called Azerbaijan a friendly and brotherly country and pointed out that this visit would be an important step in furthering Azerbaijani-Palestinian relations. They agreed to advance relations across various spheres and stressed the huge potential to enhance bilateral ties.

Palestinian Foreign Minister Riyad Al Maliki noted that Azerbaijan has gained influence at international organisations, including the UN Security Council, the Organisation of Islamic Cooperation and Non-Aligned Movement and thanked for its huge support to Palestine.

Minister Mammadyarov stated that Azerbaijan supports the restoration of peace in the region and will continue its support to Palestine. Minister Mammadyarov also emphasized that Azerbaijan supports the two-state solution to the Israeli-Palestinian conflict. He also underscored that Palestine has the right to become a fully-fledged member of the international community and reaffirmed Azerbaijan's readiness to continue supporting Palestine at international organisations.

Speaking about the conflict between Armenia and Azerbaijan, Minister Mammadyarov stressed that by gaining strength through fast economic development, Azerbaijan will sooner or later be able to restore its territorial integrity.



Foreign Minister Elmar Mammadyarov met with Avigdor Lieberman, Chairman of Foreign Relations and Defense Committee of Israeli Knesset on April 22 during his trip to the Middle East.

During the meeting they discussed bilateral relations as well as the prospects of cooperation at international organisations. The talks also concentrated on the regional developments, particularly the conflict between Armenia and Azerbaijan, on which Foreign Minister Elmar Mammadyarov expressed confidence that the conflict will find its fair solution and that the international community fully appreciates the necessity to change the current status-quo as the unchanged status-quo remains as the main obstacle to the regional development.

They also discussed the developments in the Middle East and Minister Mammadyarov noted that as a non-permanent member of the UN Security Council, Azerbaijan closely watches the developments in the Middle East. He also briefed about Azerbaijan's cooperation with international organisations.

In his turn, Avigdor Lieberman hailed Azerbaijan as a stable and fast developing state, which has enabled it to turn into a reliable partner of the international community. Emphasizing Azerbaijan's special role in the development of the region, Lieberman underlined that huge potential exists to take bilateral cooperation further ahead across various spheres. During the talks they also touched on the prospects of strengthening tourism and inter-parliamentary cooperation.

Foreign Minister Elmar Mammadyarov met with Speaker of the Knesset Yuli Edelstein during his trip to Israel on April 23. During the meeting they underlined the importance of Foreign Minister Elmar Mammadyarov's visit to further advance bilateral relations and noted that bilateral ties between the two states expand across various spheres. Emphasizing traditions of tolerance in Azerbaijan, Chairman of Israeli Knesset said Israel is keen to cooperate with Azerbaijan.

Representatives of Azerbaijani Jewish organisations accompanying Foreign Minister to Israel remarked that the Jewish community have co-existed peacefully in the country and hailed high level tolerance in Azerbaijan. The members of the Jewish community stressed that the conflict between Armenia and Azerbaijan remains as the biggest problem facing Azerbaijan and expressed confidence the conflict would be resolved within the territorial integrity of Azerbaijan.



Foreign Minister Elmar Mammadyarov met Israeli President Simon Perez during his visit to Israel on April 22. Israeli President called Azerbaijan a country with great potential and future and noted its dynamic development. Calling Azerbaijan a leading player in its region with its high level tolerance, Simon Perez shared his great impressions about his visit to Azerbaijan in 2009.



Israeli President stressed National Leader Heydar Aliyev's outstanding services and role in turning Azerbaijan into a regional leader through strengthening its international influence and hailed President Ilham Aliyev's far-sighted policies. He called Azerbaijan a country with great history and beauty and praised Azerbaijan's firm stand against terrorism.

In his turn, Minister Mammadyarov thanked Israeli President for warm welcome and underlined that bilateral relations are expanding across various spheres between the two states. Minister Mammadyarov briefed Israeli President Simon Perez about the regional developments, in particular the peace process aimed at solving the conflict between Armenia and Azerbaijan and remarked that Armenia has carried out a policy of ethnic cleansing against Azerbaijani people in the occupied territories of Azerbaijan. He also emphasized that four UN Security Council resolutions adopted in connection with the conflict have not been implemented by Armenia.

Touching on the tolerance in Azerbaijan, Minister Mammadyarov said tolerance is deeply rooted in the history of the country and that multiculturalism has huge potential in Azerbaijan. During the meeting they also exchanged opinions about other issues of mutual interest.

Foreign Minister Elmar Mammadyarov met Israeli Prime Minister Benjamin Netanyahu during his visit to Israel on April 23. During the discussions they noted with satisfaction the developing bilateral relations and stressed that the visit would further contribute to the bilateral ties.



They also exchanged views about developments in the Middle East as well as other issues of mutual interest.

03.05.2013 Working visit to the Republic of India

Foreign Minister Elmar Mammadyarov had a working lunch with Sudhir Vasudeva, Chairman and Managing Director of Indian Oil and Natural Gas Corporation during his trip to India on May 3, 2013.

At the working lunch they were joined by Secretary General and other senior managers of the Indian Oil and Natural Gas Corporation as well as directors of other major energy companies. During the working lunch they discussed energy cooperation and future prospects of cooperation.



On the same day, Foreign Minister Elmar Mammadyarov met with Vice President of India Hamid Ansari.

During the meeting Indian Vice President spoke about the achievements his country has made in spheres such as energy, industry and information technologies and expressed interest to expand cooperation in those areas with Azerbaijan.

He also stressed the importance of mutual visits to achieve this objective.

Minister Elmar Mammadyarov thanked for the welcome and noted the potential to develop bilateral ties across many areas including energy, trade and culture. They also exchanged views about regional and international affairs at the meeting.

Foreign Minister Elmar Mammadyarov met with Indian Minister of External Affairs Salman Khurshid during his trip to India on May 3.



Indian Foreign Minister welcomed his Azerbaijani counterpart to India and thanked him for the official visit. He said that the visit will contribute to the future development of bilateral ties and noted that India attaches importance to developing cooperation with Azerbaijan across all spheres. Salman Khurshid pointed out that by achieving dynamic economic development and increasing its influence at international affairs, Azerbaijan is also a significant country for Asia and India sees Azerbaijan

as a gateway to the West.

In his turn Foreign Minister Elmar Mammadyarov thanked for warm reception and underscored Azerbaijan's interest to cooperate with India in areas such as trade, energy, information and communication technologies and air transport. He stressed the need to strengthen legal base for cooperation which would give boost to bilateral cooperation. Speaking about the conflict between Armenia and Azerbaijan, Minister Elmar Mammadyarov noted that Armenia still continues its policy of aggression, does not abide by the UN Security Council resolutions adopted on the conflict and refuses to withdraw its armed forces from occupied territories of Azerbaijan.

During the meeting they also discussed issues on the international agenda, exchanged views on the cooperation at international organisations and signed Protocol on Cooperation between Ministry of Foreign Affairs of the Republic of Azerbaijan and Ministry of External Affairs of the Republic of India.

06 – 08.05.2013 Working visit to the Democratic Socialist Republic of Sri Lanka

Foreign Minister Elmar Mammadyarov met with Sri Lankan External Affairs Minister Gamini Lakshman Peiris during his visit to Democratic Socialist Republic of Sri Lanka on May 6, 2013.

Sri Lankan Foreign Minister welcomed Azerbaijani delegation to Sri Lanka and noted he was pleased to see Azerbaijani Foreign Minister in Sri Lanka. Hailing high level political relations between the two countries, Gamini Lakshman Peiris stressed the importance that this relationship also covers spheres such as economy, trade, mutual investments, energy and tourism. Sri Lankan External Affairs Minister called Azerbaijan powerhouse in its region and remarked that its election as non-permanent member of the UN Security Council is a testimony to Azerbaijan's increased international influence.

Azerbaijani Foreign Minister Elmar Mammadyarov thanked for the reception and said that there is large potential to expand bilateral cooperation across many spheres. Minister noted that in view of Sri Lankan rich expertise in tea production there is good prospects for cooperation between the two countries in tea production. He also underlined opportunities

to cooperate in culture, energy, tourism and sea transport. In his turn, Sri Lankan External Affairs Minister noted that Sri Lanka may benefit from the rich experience and historic traditions of Azerbaijan in energy production.

Minister Mammadyarov praised the progress Sri Lanka has made since the end of war and drew his colleague's attention to the conflict between Armenia and Azerbaijan and its consequences. Minister pointed out that Armenia's aggressive policies have led to its isolation in the region and if it ends these policies, then Armenia may be able to benefit regional development processes underway at the initiation and involvement of Azerbaijan.



During the meeting they also discussed the ways to strengthen legal framework for bilateral cooperation and prospects of close cooperation at international organisations, in particular the UN and the Non-Aligned Movement. The meeting ended with the signing of Protocol on cooperation between the Ministry of Foreign Affairs of the Republic of Azerbaijan and Ministry of External Affairs of the Democratic Socialist

Republic of Sri Lanka.

Foreign Minister Elmar Mammadyarov met with the President of Democratic Socialist Republic of Sri Lanka Mahinda Rajapaksa during his visit to Sri Lanka on May 6.

Sri Lankan president welcomed the Azerbaijani delegation and noted with satisfaction high level political relations between the two countries. He added that there is huge potential to expand cooperation across various spheres, including economic cooperation, energy, tourism and investments and noted that the visit would give a boost to bilateral ties.

Minister Mammadyarov thanked for warm reception and conveyed the greetings of President of Azerbaijan to Sri Lankan President. Minister said he was sure that both bilateral and multilateral cooperation, particularly within the UN and Non-Aligned Movement, will continue to expand in the years ahead. Foreign Minister Elmar Mammadyarov stressed the need to strengthen legal framework for bilateral cooperation and praised the success Sri Lanka has made since the end of war. He drew Sri Lankan President's attention to the conflict between Armenia and Azerbaijan and pointed out that Armenia has pursued ethnic cleansing policy in the occupied territories of Azerbaijan.



President Mahinda Rajapaksa of Sri Lanka said Azerbaijan has achieved dynamic economic development in its region and in view of its rich experience in energy, enhancing cooperation between Azerbaijan and Sri Lanka in energy and tourism would be desirable.

Foreign Minister Elmar Mammadyarov said that during the meeting with his Sri Lankan counterpart, they agreed to hold business forum bringing together businessmen from the two countries to explore opportunities for cooperation.

President Mahinda Rajapaksa of Sri Lanka asked Azerbaijani Foreign Minister to convey his best greetings to President Ilham Aliyev and extended an invitation to President Ilham Aliyev for an official visit to Sri Lanka.

Foreign Minister Elmar Mammadyarov met with Sri Lankan Minister of Economic Development during his visit to Democratic Socialist Republic of Sri Lanka on May 6.



Sri Lankan Minister welcomed Azerbaijan delegation and said his country is keen to expand cooperation with Azerbaijan, the most developed country of the Caucasus region. Basil Rajapaksa also underlined huge potential to develop bilateral ties across many areas, including tourism, culture, investments etc.

Foreign Minister Elmar Mammadyarov expressed Azerbaijan is interested to cooperate with Asian countries and stressed the need to strengthen legal framework laying the foundation for broadened relationship.

Both Ministers agreed to organize business forums bringing together business people of the two countries in order to explore the potential for economic cooperation.

Foreign Minister Elmar Mammadyarov met with Minister of Petroleum of Sri Lanka Anura Priyadharshana Yapa during his visit to Sri Lanka on May 8, 2013.



Discussions focused on opportunities to enhance bilateral cooperation in energy sector. Sri Lankan Minister said his country is keen to cooperate with Azerbaijan in that sphere. He also added that Azerbaijan has huge experience in training and education of oil and gas experts.

In his turn Minister Elmar Mammadyarov stressed that during the Soviet period students from various countries around the world have been educated and trained in Azerbaijani universities. Minister called on Sri Lankan experts to benefit from Azerbaijani rich experience in education and training of oil and gas specialists.

Foreign Minister Elmar Mammadyarov met with Minister of Industry and Commerce of Sri Lanka Rishad Bathiudeen during his visit to Sri Lanka on May 8.



During the meeting they exchanged views about the potential for bilateral cooperation in industry and commerce and stressed the need to increase trade turnover between the two countries. They also praised the successful cooperation that exists between tea producing companies of the two countries and expressed hope that this successful cooperation will also be established in other spheres.

The Ministers also agreed to start working on the text of agreements on avoidance of double taxation and protection of investments. During the meeting they also agreed to undertake business missions with a view to enhancing bilateral cooperation.

21.05.2013 Working visit to the Russian Federation

Foreign Minister Elmar Mammadyarov held meeting with his Russian counterpart Sergey Lavrov during his official visit to Moscow on May 21, 2013.

Russian Foreign Minister Sergey Lavrov welcomed Azerbaijani Foreign Minister Elmar Mammadyarov to Russia and said Russia is keen to advance relations with Azerbaijan in both bilateral and multilateral formats. Minister Mammadyarov thanked for warm reception and stressed that the existing strategic partnership between Azerbaijan and Russia will keep developing in the years ahead.

Russian Foreign Minister congratulated Minister Mammadyarov on the occasion of 28 May - Republic Day and underlined his country's interest to further enhance overall bilateral relationship based on the principle of equal rights. Both parties hailed developing bilateral ties and particularly noted the advancement of bilateral trade turnover.

They also emphasized the effectiveness of intergovernmental commission and discussed various issues pertaining to the next meeting of the intergovernmental commission.

Minister Lavrov underlined the significance of bilateral humanitarian relations and in reference to the Second Baku International Humanitarian Forum, stressed that the fact that it drew wide participation was a testimony to the Forum's significance. He also emphasized the importance of Fourth Russia-Azerbaijan Interregional Forum and said that the first World Forum of Graduates of Moscow State Institute of International Relations was well organized in Baku.

They also explored ways to strengthen legal framework for bilateral cooperation and noted the importance of continuing close cooperation in the frame of international organisations. They welcomed the fact that the first meeting of Azerbaijan-Russia Joint Commission on Demarcation was recently held and noted the need to continue works in that sphere.

Ministers also discussed issues related to the North-South Transport Corridor. The plan for bilateral political consultations for the period of the second half of 2013 and 2014 was signed between the Foreign Ministry of the Republic of Azerbaijan and the Foreign Ministry of the Russian Federation.

Minister Elmar Mammadyarov briefed about Azerbaijan's relations countries in the region and noted that the commissioning of Baku-Tbilisi-Kars railway would give contribution to development of regional transport system.

Following the meeting Foreign Ministers of Azerbaijan and Russia held joint press conference for the media.

04 – 05.06.2013 Working visit to the United States of America

Foreign Minister Elmar Mammadyarov met with US Secretary of State John Kerry during his visit to Washington.

During the meeting Secretary John Kerry called Azerbaijan an important partner for the United States and hailed Azerbaijan's contributions to the NATO's ISAF mission in Afghanistan, its role in the European

energy security and in other issues that are of importance for the US. John Kerry noted that the conflict between Armenia and Azerbaijan is a threat to stability in the region and underlined the US interest in the solution of the conflict. He also reaffirmed that as a co-chair of the OSCE Minsk Group the United States will continue to help find solution to the conflict.

Foreign Minister Elmar Mammadyarov stated that Azerbaijan attaches importance to its bilateral relations with the US and expressed confidence that bilateral economic, investments and energy cooperation as well as the cooperation in the frame of international organisations will continue to deepen. Speaking about the negotiations aiming to find peaceful solution to the conflict between Armenia and Azerbaijan, Foreign Minister Elmar Mammadyarov emphasized the need to change the status quo. He also stressed that in order to achieve progress in the peace process, Armenian armed forces should be withdrawn from the occupied territories of Azerbaijan.

Minister Mammadyarov also invited Secretary of State Kerry to pay an official visit to Baku. Accepting the invitation with pleasure, Secretary Kerry said he would be interested to pay a visit to Azerbaijan.

Foreign Minister Elmar Mammadyarov held a meeting with Karen Donfried, US President's Special Assistant and Senior Director for European Affairs at the National Security Council, during his visit to the United States. During the meeting they held discussions about the US-Azerbaijan bilateral relations and touched on the cooperation in the frame of international organisations such as the UN and NATO.



Minister Mammadyarov briefed about the negotiations aiming to resolve the conflict between Armenia and Azerbaijan through peaceful means and stressed that in order to achieve solution, in the first place Armenian armed forces should withdraw from occupied territories of Azerbaijan, as this is required by the UN Security Council Resolutions.

Karen Donfried noted that the US Administration supports the efforts to find just solution to the conflict through peaceful means and that the solution would be important in terms of further development of the region. She went on to emphasize Azerbaijan's vital role in securing the region's energy security and expressed interest to further enhance cooperation in that sphere.

On the same day, Foreign Minister Elmar Mammadyarov met with Israeli Justice Minister Tzipi Livni on the fringe of Annual Global Forum of American Jewish Committee. During the meeting they discussed bilateral relations and touched on regional issues. The two Ministers also expressed satisfaction with the development of ties in many spheres.

On 5 May 2013, Foreign Minister Elmar Mammadyarov held a meeting with directors of the US-based leading research centers.



During the meeting Minister Mammadyarov briefed on the peace talks aiming to achieve peaceful solution to the conflict between Armenia and Azerbaijan and shared his perspectives on Azerbaijan's regional role, its contributions to the European energy security, regional development projects as well as the security issues. Touching on reforms that are being undertaken in various spheres in Azerbaijan, Minister Mammadyarov also spoke about

the ways to further advance the US-Azerbaijan bilateral relations as well as the cooperation between Azerbaijan and NATO. The meeting ended with a questions and answers session.

22.07.2013 Working visit to the Kingdom of Belgium

Fourth ministerial meeting of the European Union and the Eastern Partnership took place in Brussels on 22 July 2013. Foreign Minister Elmar Mammadyarov represented Azerbaijan at the meeting.

EU High Representative for Foreign Affairs and Security Policy Catherine Ashton and EU Commissioner for Enlargement and European Neighbourhood Policy Stefan Fule co-chaired the meeting. The meeting was attended by foreign ministers of the EU member states, European External Action Service, European Investment Bank, foreign ministers of Azerbaijan, Belarus, Armenia, Georgia, Moldova and Ukraine as well as representative of Eastern Partnership Civil Society Forum.

Participants discussed the Eastern Partnership, achievements gained since the Warsaw Summit, preparations for the 3rd Eastern Partnership to be held in Vilnius and prospects of cooperation after the summit.

Foreign Minister Elmar Mammadyarov spoke about Azerbaijan's role in the Eastern Partnership and in general, the cooperation dialogue with the European Union and underlined the need for the European Union to fulfill its obligations in relation to supporting sovereignty and territorial integrity of Azerbaijan that was stipulated in the European Neighbourhood Policy Action Plan in 2006. Minister Mammadyarov stressed that future prospects of EU-Azerbaijan dialogue and the progress in negotiations in Association Agreement would be realized on the basis of principles such as mutual respect and partnership. In that context, Minister Mammadyarov reminded participants about certain important results agreed during the meeting of President Ilham Aliyev with President of the European Council Herman Van Rompuy and President of the European Commission Jose Barroso and once again pointed out that Azerbaijan is interested to advance its dialogue with the European Union on the basis of equal rights and strategic partnership.

Minister Mammadyarov also noted that recent decisions taken in connection with the Southern Gas Corridor will play an exceptional role in strengthening energy security of the EU and will open up new opportunities to enhance political and economic ties with the European Union. Minister also added that negotiations on Visa Facilitation and Readmission Agreement between Azerbaijan and the EU is nearing completion and underlined the importance

of signing these agreements till the upcoming Eastern Partnership Summit in Vilnius. Minister also emphasized the need to further advance education cooperation with the EU and proposed that serious steps are taken in that sphere the frame of EU-Azerbaijan cooperation. He also proposed that opportunities be explored in Eastern Partnership format in order to strengthen gender equality and increase women's role in society.

On the sidelines of the fourth ministerial meeting of the Eastern Partnership Minister Mammadyarov also held separate meetings with his Greek and Ukrainian counterparts and discussed with them the prospects of expanding bilateral relations.

23.07.2013 Working visit to the French Republic

Foreign Minister Elmar Mammadyarov met with French Foreign Minister Laurent Fabius in Paris on July 23.

At the meeting the two Ministers noted with satisfaction developing bilateral relations across all spheres.

In economic realm, Laurent Fabius noted that big French companies operate successfully not only in oil and gas sector in Azerbaijan but also in non-oil sector and expressed hope that this cooperation will continue developing in the years ahead. French Foreign Minister stressed the contributions of Azerbaijani First Lady Mehriban Aliyeva to enhancing bilateral cultural ties and expressed his gratitude to Azerbaijani side for supporting the establishment of French Lyceum in Baku.

During the meeting they also discussed regional security issues. In that context, Minister Mammadyarov briefed about the current state of peace negotiations aiming to find solution to the conflict between Armenia and Azerbaijan and noted that the solution of the conflict is essential for the restoration of peace and stability to the region.

The two Ministers also exchanged views about energy security and Minister Mammadyarov informed about the current and prospective energy projects in the region.

The two Ministers also exchanged opinions about other issues of mutual interest, including security in the South Caucasus and Europe, EU-Azerbaijan cooperation and fight against international terrorism.

03 – 05.09.2013 Working visit to the United Kingdom of Great Britain and Northern Ireland

On 3 September 2013, Minister Elmar Mammadyarov met with UK Foreign Secretary William Hague during his working trip to the United Kingdom.

During the meeting they exchanged views about issues on the agenda of the United Nations Security Council. Minister Mammadyarov and Secretary Hague also held extensive talks about bilateral cooperation and stressed there is huge potential to broaden bilateral cooperation in the years ahead.



Secretary Hague congratulated Minister Mammadyarov on Azerbaijan's hosting 2015 European Games and noted that as his country hosted 2012 London Olympic Games successfully, United Kingdom stands ready to share its experience with Azerbaijan in that area.

Praising Azerbaijan's increased role in energy issues Secretary Hague expressed gratitude for Azerbaijan's contributions and support to operations in Afghanistan as well as the cooperation in the frame of NATO.

Minister Mammadyarov said that Azerbaijan and United Kingdom continue their energy cooperation successfully and added there are huge opportunities to further enhance cooperation across many areas such as investments, tourism, education and others.

Briefing about the ongoing peace process aiming to resolve the conflict between Armenia and Azerbaijan, Minister Mammadyarov stressed that in order to achieve solution to the conflict, Armenian armed forces should withdraw from occupied territories of Azerbaijan and work has to begin on drafting comprehensive peace agreement.

Secretary Hague noted that further enhancement of bilateral relations is in the interest of both countries and added his country supports the activities of OSCE Minsk Group and stands for the peaceful resolution of the conflict.

Minister Elmar Mammadyarov held meeting with members of All Party Parliamentary Group on Azerbaijan headed by Chairman of Group Christopher Pincher as well as the members of Parliamentary Foreign Affairs, Energy and Climate Change Committees on September 3 during his working visit to London.

During the meeting Minister Mammadyarov briefed the UK MPs on social and economic development priorities of Azerbaijan, economic achievements that the country has achieved over the past few years, its increasing international standing, in particular bilateral and multilateral cooperation between Azerbaijan and the UK.

Minister also talked about the conflict between Armenia and Azerbaijan and the peace process aiming to resolve the conflict and drew attention to the position of Azerbaijan in relation to the conflict resolution. He stressed the need for withdrawal of Armenian armed forces from occupied territories of Azerbaijan.



Speaking about economic development of Azerbaijan, Minister Mammadyarov emphasized that the economy, particularly its non-oil sectors develop successfully and recent high economic growth dynamics continues in the country.

Foreign Minister praised the current state of bilateral relations between Azerbaijan and United Kingdom and the important role of energy cooperation in enhancing overall bilateral relations and noted huge potential to strengthen cooperation in non-oil sectors.

Speaking on regional projects, Minister Mammadyarov said Azerbaijan expands regional

cooperation with Turkey and Georgia and called Baku-Tbilisi-Kars railway project “the next contribution” to the sustainable regional development alongside with Baku-Tbilisi-Ceyhan and Baku-Tbilisi-Erzurum oil and gas projects. Minister Elmar Mammadyarov remarked that alongside with relations with neighbouring countries, development of strong cooperation with the European Union is one of the foreign policy priorities of Azerbaijan.

In his turn, Christopher Pincher and British MPs attending the meeting expressed their pleasure for hosting Minister Elmar Mammadyarov at the UK Parliament and thanked Minister for extensive information over the above issues. Christopher Pincher briefed Minister Mammadyarov about the activities of All Party Parliamentary Group on Azerbaijan and its cooperation with Azerbaijani Parliament.

Minister Mammadyarov also answered MPs’ questions regarding Azerbaijan, UK-Azerbaijan cooperation as well as the current issues on the agenda of the UN Security Council.

On the same day, Minister Elmar Mammadyarov met with international experts on Azerbaijan and the wider region at London-based International Institute for Strategic Studies.

At the meeting Minister Mammadyarov extensively talked about foreign policy priorities of Azerbaijan, its international role, including bilateral ties between Azerbaijan and United Kingdom and cooperation with the European Union and NATO.

Minister Mammadyarov emphasized that Azerbaijan’s energy sector contributes greatly to both the country’s and the region’s economies and added there is huge economic potential in the non-oil sectors of the economy. Foreign Minister also highlighted the recent investments into the non-oil sectors with a view to developing these sectors and underlined that Azerbaijan is keen to enhance cooperation both with neighbouring countries and the European Union.

Touching upon the conflict between Armenia and Azerbaijan, Foreign Minister stressed that the conflict is a serious obstacle for the utilization of the region’s full potential. The meeting concluded with Q&A session where Minister Mammadyarov answered various questions from the experts in attendance.

On 5 September 2013, Minister Elmar Mammadyarov met with BP’s Group Chief Executive Robert Dudley during his working visit to the United Kingdom.

During the meeting they exchanged opinions about the current state and prospects of Azerbaijan-BP cooperation. They both expressed satisfaction with mutually beneficial energy cooperation and trust that exist between Azerbaijan and BP and stressed that this partnership has made the realization of large scale energy projects possible which contribute greatly to energy security of the European Union.

Minister Elmar Mammadyarov and BP’s Group Chief Executive Robert Dudley emphasized huge potential of Trans Anatolian Pipeline (TANAP) and Trans Adriatic Pipeline (TAP) as these projects open up new opportunities for gas supplies to Europe and expressed hope that beneficial cooperation will continue and new energy projects will be finalized successfully.

25 – 30.09.2013**Working visit to the United States of America**

Minister Elmar Mammadyarov on the sidelines of his visit to New-York to take part at the 68th Session of United Nations General Assembly met with the Minister of Foreign Affairs of Sudan Ali Ahmad Karti.



At the meeting Minister Elmar Mammadyarov highlighted that restoring the activities of Sudanese Embassy in Baku will contribute to enhancement of cooperation between two countries in diverse fields.

Ali Ahmad Karti expressed his appreciation for rendered support of Azerbaijan to Sudan, particularly within the United Nations Security Council. He reiterated that Sudan will always remain on the side of Azerbaijan in the settlement of Armenia-Azerbaijan conflict.

Stressing the readiness of Sudan for cooperation with Azerbaijan in all fields, especially in the area of investments, Sudanese Minister asked for encouragement the visit of Azerbaijani business people to Sudan.

Elmar Mammadyarov emphasized the interest of Azerbaijan in promotion of cooperation with Sudan as well and proposed exchange of business visits between two countries.

Minister Elmar Mammadyarov on the sidelines of his visit to New-York to take part at the 68th Session of United Nations General Assembly met with Foreign Minister of Bosnia and Herzegovina Zlatko Lagumdžija.



At the meeting, the Ministers noted with satisfaction the current level of relations between two countries stressing that there are still huge potential for further development of cooperation, especially in the spheres of investment and energy. Ministers also agreed to exchange the mutual visits of the delegations from the government and business circles to boost the cooperation in the above-mentioned spheres.

Minister Elmar Mammadyarov on the sidelines of his visit to New-York to take part at the 68th Session of United Nations General Assembly met with his Swiss counterpart Didier Burkhalter.



At the meeting the current level of the relations between two countries was discussed, where Swiss Minister congratulating Minister Mammadyarov on selection of TAP Project, stressed that this project will make a tangible contribution to the energy supply of European countries. Minister Mammadyarov briefed his counterpart about the negotiation process over the peaceful settlement of Armenia-Azerbaijan conflict

while emphasizing the importance of withdrawal of Armenian armed forces from the occupied territories of Azerbaijan for peaceful resolution of the conflict.

In his turn, Didier Burkhalter talked about his country's priorities for the upcoming OSCE chairmanship in 2014.



Minister Elmar Mammadyarov within his visit to New-York to take part at the 68th Session of United Nations General Assembly met with the Secretary General of OSCE Lamberto Zannier. During the meeting they discussed cooperation between Azerbaijan and OSCE and exchanged views on settlement process of Armenian-Azerbaijan conflict.

Minister Elmar Mammadyarov within his visit to New-York to take part at the 68th Session of United Nations General Assembly met with the Minister of Foreign Affairs of Afghanistan Zalmi Rassoul.

Minister of Foreign Affairs of Afghanistan expressed his satisfaction over the development of relations between two countries. Reminding his meeting with the members of high-level Afghan delegation, who visited Azerbaijan, Minister Zalmi Rassoul expressed his appreciation to the Government of Azerbaijan for its rendered support. During the meeting it was agreed to sign bilateral documents between two parties in different fields.



Minister Elmar Mammadyarov within his visit to New-York to take part at the 68th Session of United Nations General Assembly met with the Minister of Foreign Affairs of Peru Eda Rivas. During the meeting cooperation between two countries across many areas was discussed.



Minister Elmar Mammadyarov talking of the development of cooperation between Azerbaijan and Latin American countries stressed that there are favourable opportunities for promotion of cooperation in diverse fields with Peru as well.

During the meeting Agreement between the Government of the Republic of Azerbaijan and the Government of the Republic of Peru on exemption of diplomatic and service/special passport holders from visa requirements was signed.

Minister Elmar Mammadyarov within his visit to New-York to take part at the 68th Session of United Nations General Assembly met with the Minister of Foreign Affairs of Singapore K. Shanmugam. During the meeting development of bilateral relations in various fields was discussed and reached an agreement on strengthening of cooperation within international organizations and exchanging of visits at the different levels.



Minister Elmar Mammadyarov briefed his counterpart about the negotiations process over the settlement of Armenia-Azerbaijan conflict.

Minister Elmar Mammadyarov on the sidelines of his visit to New-York to take part at the 68th Session of United Nations General Assembly hold bilateral meetings with the Foreign Ministers of Turkey, Kazakhstan, Bulgaria, Honduras and Colombia.

At the meetings current stage of bilateral relations was reviewed, the ways of further enhancement of cooperation was discussed and the importance of redoubling the efforts in this regard was stressed. The necessity of development of cooperation within international organizations was also particularly mentioned during the meetings.

At the meetings Minister Elmar Mammadyarov briefed his counterparts about the Armenian-Azerbaijan conflict and stressed the importance of soonest resolution of this conflict. He particularly underlined that for the settlement of the conflict first of all it is extremely important to ensure withdrawal of armed forces of Armenia from the occupied territories of Azerbaijan and return of forcibly displaced Azerbaijani refugees and IDPs as a result of ethnic cleansing to their places of origin.

Minister Elmar Mammadyarov on the sidelines of his visit to New-York to take part at the 68th Session of United Nations General Assembly met with the representatives of Jewish communities and organizations in the United States. At the meeting views were exchanged on historically rooted ethnic and religious tolerance and the necessary conditions provided for all religious communities in Azerbaijan, relations of Azerbaijan with Israel and the situation in the Middle East.



Minister Elmar Mammadyarov on the sidelines of his visit to New-York to take part at the 68th Session of United Nations General Assembly met with the Deputy Prime Minister and Minister of Foreign Affairs of Slovakia Miroslav Lajčák. At the meeting bilateral relations and further development of cooperation in the fields of economy, investments, energy and tourism were discussed.

Memorandum of Understanding between the Ministry of Foreign Affairs of the Republic of Azerbaijan and the Ministry of Foreign Affairs of the Slovak Republic was signed to strengthen cooperation between two countries within the international organizations.

Minister Elmar Mammadyarov on the sidelines of his visit to New-York to take part at the 68th Session of United Nations General Assembly met with the Prime Minister of Saint Vincent and Grenadines Ralph Gonsalves.

Prime Minister Ralph Gonsalves recalling his visit to Baku stressed that he witnessed dynamic development and prosperity in Azerbaijan. Adding that there are opportunities for cooperation in the different fields, particularly in tourism, investments, and infrastructure projects, Prime Minister Ralph Gonsalves asked for encouragement of Azerbaijani business people visit to his country.



Minister Elmar Mammadyarov on the sidelines of his visit to New-York to take part at the 68th Session of United Nations General Assembly met with Filippo Grandi, the Secretary

General and General Commissioner of United Nations Relief and Works Agency for the Palestine Refugees in the Near East.



Filippo Grandi informed about the activities of the organization that he leads noting that its main task is to assist Palestinian refugees and coordinate the international cooperation in this field and adding that Azerbaijan's contribution to this organization is highly praised.

Elmar Mammadyarov briefed him about the international humanitarian assistance delivered by Azerbaijan and talked about the activities of Azerbaijan International Development Agency established under the Foreign Ministry adding that there are opportunities for joint cooperation between two organizations.

Minister Elmar Mammadyarov on the sidelines of his visit to New-York to take part at the 68th Session of United Nations General Assembly met with the UN Deputy Secretary General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, Gyan Acharya. At the meeting, Gyan Acharya speaking about the group of Least Developed Countries, Landlocked and Small Island Developing States highlighted the main activities of the institution, which he leads to address the challenges facing these countries.



UN Deputy Secretary General and High Representative asked for considering Azerbaijan's assistance to the development of the countries that he represents, given the success and prosperity achieved by Azerbaijan throughout the last years.

Minister Elmar Mammadyarov noted that Azerbaijan has a close cooperation with the UN and its specialized agencies and mentioned the humanitarian projects, to which Azerbaijan contributed. While speaking about Azerbaijan International Development Agency established under the Ministry of Foreign Affairs, Minister Mammadyarov added that contribution of this agency to the projects executed in the least developed and landlocked countries could be considered.



Minister Elmar Mammadyarov on the sidelines of his visit to New-York to take part at the 68th Session of United Nations General Assembly met with the Foreign Minister of Albania Ditmir Bushati. At the meeting Albanian Foreign Minister said that cooperation with European Union and implementation of TAP project included into the priority foreign policy directions of the new government.

Minister Bushati talking about the strategic importance of TAP underlined that this project is significant not just only for Albania, but for the entire region.

Minister Elmar Mammadyarov pointed out that there are broad opportunities for development of cooperation between two countries, particularly highlighting the cooperation in the energy field. During the meeting views were also exchanged on the issues of mutual interest.

Minister Elmar Mammadyarov on the sidelines of his visit to New-York to take part at the 68th Session of United Nations General Assembly attended "Caspian Forum" and made a speech.



The Forum was attended by the Foreign Ministers of Azerbaijan, Turkey, Albania, Bosnia and Herzegovina, Croatia, Georgia, Macedonia as well as US Special Envoy and Coordinator for international energy issues and EU Special representative for Central Asia.

In his speech Minister Elmar Mammadyarov spoke broadly about the energy strategy of Azerbaijan and underscored the significance of regional energy projects. Minister noted that foundation of international cooperation in the Caspian Sea was laid down by the farsighted vision and political will of Heydar Aliyev, National leader of Azerbaijan and energy corridor brought to fruition by signing of "Contract of Century", nowadays was further broadened and diversified by the determined steps of Ilham Aliyev, President of the Republic of Azerbaijan.

Talking about the contributions of Azerbaijan to the energy security of Europe Minister Elmar Mammadyarov underlined the strategic importance of TANAP and TAP projects and touched upon the role would be played by these projects in economic prosperity and stability of the participating regional countries. Characterizing Armenia-Azerbaijan conflict as a major impediment to the development of the region Minister Mammadyarov stressed the importance of soonest resolution of this conflict. He particularly underlined that for the settlement of the conflict first of all it is extremely important to ensure withdrawal of armed forces of Armenia from the occupied territories of Azerbaijan and return of forcibly displaced Azerbaijani refugees and IDPs as a result of ethnic cleansing to their places of origin.



Minister said that Armenia not fulfilling the demands of four UN Security Council resolutions was left aside from all strategic projects of the region as a result of its policy of occupation and aggression.



Minister Elmar Mammadyarov on the sidelines of his visit to New-York to take part at the 68th Session of United Nations General Assembly attended EU Eastern Partnership Foreign Ministers meeting.

At the meeting, the agenda of upcoming Vilnius summit meeting was discussed and views were exchanged on the documents to be signed.

Minister Elmar Mammadyarov stressing the necessity of applying the concept of strategic cooperation established between EU and Azerbaijan in the energy field to other areas added that deepening of cooperation in that respect is important.

Minister Elmar Mammadyarov on the sidelines of his visit to New-York to take part at the 68th Session of United Nations General Assembly attended Foreign Ministerial Council of Organization for Democracy and Economic Development-GUAM. At the meeting noting the success of ongoing field cooperation among Member States within GUAM, Minister Mammadyarov added that deepening of this cooperation will enable further development of closer ties among the members and undertaking of joint efforts at the international fora.

During the meeting the Council of Foreign Ministers discussed cooperation with partner states and international organizations, draft resolution to be put on the agenda of UN General Assembly 68th Session on "Cooperation between UN and Organization for Democracy and Economic Development-GUAM" and cooperation in the field of transport, tourism, economy, culture, science and energy.



Minister Elmar Mammadyarov on the sidelines of his visit to New-York to take part at the 68th Session of United Nations General Assembly chaired unofficial meeting of Foreign Ministers of Economic Cooperation Organization (ECO). Minister Elmar Mammadyarov noted that the diverse membership and rich economic potential of the region present unique opportunities for ECO to maximize benefits of economic cooperation in the region to its individual members stressing that in this respect it is essential to short-list priorities and to shift to a result-oriented approach.

Minister Mammadyarov said that within ECO the South Caucasus is yet another region suffering from protracted conflicts adding that the aggression of Armenia against Azerbaijan resulted in the Armenia-Azerbaijan conflict and it still remains a major source of instability and impediment to the economic development and full-scale regional cooperation. Underlining that is no alternative other than solving the conflict on the basis of respect for the sovereignty, territorial integrity and inviolability of the internationally recognized borders of the Republic of Azerbaijan, Minister Elmar Mammadyarov praised ECO Member States for their continued support and common stand.

Minister Elmar Mammadyarov met with Foreign Minister of the Republic of Iraq, Hoshyar Zebari on the sidelines of the 68th Session of United Nations General Assembly.

The two Ministers discussed current level of the bilateral relations and the prospects of bilateral cooperation between two countries. Ministers also agreed to sign the documents to enable broaden the bilateral cooperation into new spheres. The issues of mutual interest were discussed at the meeting.

Minister Elmar Mammadyarov met with Secretary General of Council of Europe (CoE), Thorbjørn Jagland on the sidelines of the 68th Session of United Nations General Assembly. Minister and Secretary General discussed the action plan between Azerbaijan and CoE as well as the issues regarding the upcoming chairmanship of Azerbaijan at the CoE in 2014.



Minister Mammadyarov informed CoE Secretary General about the activity of Azerbaijan within the organization and the priorities for upcoming chairmanship of Azerbaijan.

On 27 September 2013, the Co-Chairs of the OSCE Minsk Group (Ambassadors Igor Popov of the Russian Federation, Jacques Faure of France, and James Warlick of the United States of America) and the Personal Representative of the OSCE Chairperson-in-Office, Ambassador Andrzej Kasprzyk, met with Azerbaijani Foreign Minister Elmar Mammadyarov and Armenian Foreign Minister Edward Nalbandian in New York.

The Co-Chairs and the Ministers continued discussions on the substance of the peace process. The Co-Chairs stressed the commitment of their three countries to support the peaceful settlement of the Nagorno-Karabakh conflict based on the non-use of force or the threat of force, territorial integrity, and equal rights and self-determination of peoples. They also referred to the statement of their three Presidents on June 18, 2013, with special attention to the appeal to the sides to refrain from any actions or rhetoric that could raise tension in the region and lead to escalation of the conflict.

The Ministers reiterated their determination to continue working with the Co-Chairs to reach a peaceful settlement of the conflict. The Co-Chairs expect to visit the region in November to discuss with the Presidents their planned summit meeting later this year.



Minister Elmar Mammadyarov met with the United States Under Secretary of State for Political Affairs Wendy Sherman on the sidelines of the 68th Session of United Nations General Assembly. During the meeting they discussed the development of bilateral relations between Azerbaijan and the United States, resolution of Armenia-Azerbaijan conflict, as well as the issues that on UN Security Council's agenda, concerning the

use of the chemical weapons in Syria.

Minister Elmar Mammadyarov on the sidelines of his visit to New-York to take part at the 68th Session of United Nations General Assembly attended Ministerial Meeting of the Non-Aligned Movement (NAM) on the theme of "Non-Aligned Movement: Cooperation for Enhancing the Rule of Law at the International Level". In his speech Minister Elmar Mammadyarov said that NAM being the second largest association of States after the United Nations provides a broad and inclusive forum for political consultations and practical cooperation.

Adding that contrary to that is being argued about the diminished role of NAM after the end of the Cold War, today the Movement effectively pursues goals that remain relevant to tackling twenty-first century challenges, Minister Elmar Mammadyarov noted that primary mission of NAM was and remains to maintain justice and equality in international relations, and to ensure respect for the norms and principles of international law.

Minister Elmar Mammadyarov reaffirming strict adherence of Azerbaijan, as a committed member of NAM, to an international order based on international law and the rule of law said the following: "In recent years international attention on the importance of the rule of law at national and international levels has significantly



increased. Nevertheless, greater efforts are needed to ensure a unified approach to the rule of law and to address the major threats and challenges that continue to affect basic elements of the international order, to undermine the national unity, territorial integrity and stability of States, and to regenerate disregard and contempt for human rights”.

Minister Elmar Mammadyarov underlining the necessity of strict compliance by parties to armed conflict with their obligations under international humanitarian law added that conflict resolution initiatives and mediation efforts must be based on peace and justice and principles of international law.

Reiterating the readiness of Azerbaijan to stimulate the cooperation in the field of enhancing the rule of law at the international level, Minister Elmar Mammadyarov expressed gratitude to the NAM Member States for their firm support reflected in the Final Document of the Movement’s 16th Summit for the sovereignty, territorial integrity of Azerbaijan and the inviolability of its internationally recognized borders.

Minister Elmar Mammadyarov hold bilateral meetings with Foreign Minister of Islamic Republic of Iran, Mohammad Javad Zarif and Foreign Minister of the Hashemite Kingdom of Jordan, Nasser Judeh on the sidelines of the 68th Session of United Nations General Assembly. The Ministers discussed the development of the bilateral relations and the current situation in Syria.

Minister Elmar Mammadyarov on the sidelines of his visit to New York, to take part at the 68th Session of UN General Assembly, attended the meeting of the Foreign Ministers of the Cooperation Council of Turkic-speaking States.

In his capacity as a chairman of the Cooperation Council of Turkic-speaking countries Minister Elmar Mammadyarov noted the particular attention paid by Azerbaijan to expand the role of the organization, to improve its performance and enhance its capacities in accordance with the guidelines of Gabala Summit held in August 2013.

Minister Elmar Mammadyarov recalling the importance attached by President Ilham Aliyev in his speech in Gabala to enhance cooperation in the field of culture and economy among the activities of the organization, added that the member states sharing the cultural, historical and economic values have favorable opportunities to further strengthen co-operation.

In that sense Minister Mammadyarov stressed the importance of Baku-Tbilisi-Kars railway and the Trans-Eurasian Information Super Highway Projects to develop economic ties among the member states.

Noting the role of Cooperation Council of Turkic-speaking countries as an effective platform among the member countries to strengthen their mutual support in the international fora, Minister Elmar Mammadyarov expressed his gratitude to Member States for their firm support for Azerbaijan in Armenia-Azerbaijan conflict.

Minister Elmar Mammadyarov reiterated support of Azerbaijan for an initiative to establish Foundation for Turkic Culture and Heritage under the auspices of Council of Turkic Speaking countries.

**MEETINGS OF THE MINISTER OF FOREIGN AFFAIRS OF THE
REPUBLIC OF AZERBAIJAN, H.E. Mr. ELMAR MAMMADYAROV**

- 04.04.2013 Foreign Minister Elmar Mammadyarov received Canadian parliamentary delegation led by Presiding Officer of the House of Commons and Chairman of Azerbaijan-Canada Inter-Parliamentary Friendship Group, Barry Devolin
- 05.04.2013 Foreign Minister Elmar Mammadyarov received the Adviser to the President of Romania on Strategic Affairs, Security and Foreign Affairs, Iulian Chifu
- 09.04.2013 Foreign Minister Elmar Mammadyarov received the Foreign Minister of Mongolia, Lunsanvandan Bold who is attending World Economic Forum in Baku
- 10.04.2013 Foreign Minister Elmar Mammadyarov received the outgoing Brazilian Ambassador, Sergio de Sousa Fontes
- 10.04.2013 Foreign Minister Elmar Mammadyarov received the Secretary General of Cooperation Council of Turkic Speaking States, Halil Akinci
- 12.04.2013 Foreign Minister Elmar Mammadyarov received Fatih Ceylan, Deputy Under-secretary at Turkish Ministry of Foreign Affairs
- 12.04.2013 Foreign Minister Elmar Mammadyarov received the delegation led by Deputy Foreign Minister of Poland, Katarzyna Pelczynska-Nalecz
- 12.04.2013 Foreign Minister Elmar Mammadyarov received the delegation led by Nasser Bourita, Secretary General of the Moroccan Ministry of Foreign Affairs and Cooperation
- 12.04.2013 Foreign Minister Elmar Mammadyarov received Adam Kobieracki, Director of the OSCE's Conflict Prevention Centre
- 12.04.2013 Foreign Minister Elmar Mammadyarov received the members of the Council of Europe (CoE) Sub-Group on Armenia and Azerbaijan
- 12.04.2013 Foreign Minister Elmar Mammadyarov received the Vietnamese delegation led by Deputy Foreign Minister of the Socialist Republic of Vietnam, Nguyen Phuong Nga
- 15.04.2013 Foreign Minister Elmar Mammadyarov received the delegation led by Andrey Deshitsa, Special Representative of the OSCE Chairman-in Office
- 16.04.2013 Foreign Minister Elmar Mammadyarov received Czech parliamentary delegation led by Deputy Chairman of the Committee of Foreign Relations of the Chamber of Deputies, Jan Hamacek
- 16.04.2013 Foreign Minister Elmar Mammadyarov received Carlos Dante Riva, newly appointed Ambassador of Argentina to Azerbaijan

- 17.04.2013 Foreign Minister Elmar Mammadyarov received the delegation led by Thomas Melia, Deputy Assistant Secretary of State for Democracy, Human Rights and Labor
- 18.04.2013 Foreign Minister Elmar Mammadyarov received the delegation led by Imam of Bordeaux Mosque, Tareq Oubrou
- 25.04.2013 Foreign Minister Elmar Mammadyarov received the Secretary General of the Organisation of Islamic Cooperation, Ekmeleddin Ihsanoglu
- 01.05.2013 Foreign Minister Elmar Mammadyarov received the newly appointed Ambassador of Pakistan to Azerbaijan, Ikramullah Mehsud
- 01.05.2013 Foreign Minister Elmar Mammadyarov received the US delegation led by the Commander of US Transportation Command General, William Fraser
- 22.05.2013 Foreign Minister Elmar Mammadyarov received Uruguayan parliamentary delegation led by Speaker of the House of Representatives of Uruguay, German Cardoso
- 23.05.2013 Foreign Minister Elmar Mammadyarov received Gabor Iklody, NATO's Assistant Secretary General for Emerging Security Challenges
- 24.05.2013 Foreign Minister Elmar Mammadyarov received the delegation led by Elmar Brok, Chairman of the European Parliament Committee on Foreign Affairs
- 27.05.2013 Foreign Minister Elmar Mammadyarov received the delegation led by Jean-Claude Mignon, President of the Parliamentary Assembly of the Council of Europe (PACE)
- 29.05.2013 Foreign Minister Elmar Mammadyarov received Brazilian delegation led by Nelson Pellegrino, Chairman of Foreign Affairs and Defence Committee of the House of Deputies
- 29.05.2013 Foreign Minister Elmar Mammadyarov received the delegation led by Philippe Lefort, European Union Special Representative for the South Caucasus
- 30.05.2013 Foreign Minister Elmar Mammadyarov received Boris Tadic, former President of Serbia and Honorary President of the Serbian Democratic Party, who is visiting Baku to attend the 2nd World Forum on Intercultural Dialogue
- 31.05.2013 Foreign Minister Elmar Mammadyarov received NATO Special Representative for Women, Peace and Security, Mari Skare
- 10.06.2013 Foreign Minister Elmar Mammadyarov received the delegatin led by Foreign Minister of Bangladesh, Dipu Moni
- 10.06.2013 Foreign Minister Elmar Mammadyarov received the delegation led by Foreign Minister of Belarus, Vladimir Makey

- 10.06.2013 Foreign Minister Elmar Mammadyarov received the delegation led by Zlatko Lagumdžija, Foreign Minister of Bosnia and Herzegovina
- 10.06.2013 Foreign Minister Elmar Mammadyarov received the delegation led by Minister of Communications and Information Technology of Afghanistan, Amirzai Sangin
- 11.06.2013 Foreign Minister Elmar Mammadyarov received the Foreign Minister of Egypt Mohamed Kamel Amr, who visits Baku to attend Palestine Conferences
- 11.06.2013 Foreign Minister Elmar Mammadyarov received the Foreign Minister of Turkey Ahmet Davutoglu, who is visiting Baku to attend Palestine Conferences
- 11.06.2013 Foreign Minister Elmar Mammadyarov received the Assistant to Foreign Minister of the State of Qatar for International Cooperation Affairs, Sheikh Ahmad bin Jabr Al Thani
- 11.06.2013 Foreign Minister Elmar Mammadyarov met with Foreign Minister of Palestine Riad Al Malki, who is visiting Baku to attend the Palestine Conferences
- 11.06.2013 Foreign Minister Elmar Mammadyarov met with Bahraini Minister of State for Foreign Affairs, Ghanim bin Fadl Al-Buainain
- 11.06.2013 Foreign Minister Elmar Mammadyarov received the Foreign Minister of Malaysia, Dato Sri Anifah
- 12.06.2013 Foreign Minister Elmar Mammadyarov received the delegation led by Abdullatif Al Zayani, Secretary General of the Gulf Cooperation Council
- 12.06.2013 Foreign Minister Elmar Mammadyarov received the delegation led by Philippe Leforte, EU Special Representative for South Caucasus
- 13.06.2013 Foreign Minister Elmar Mammadyarov received the newly appointed Ambassador of the Kingdom of Saudi Arabia, Musaid bin Ibrahim es-Suleim
- 13.06.2013 Foreign Minister Elmar Mammadyarov received the outgoing Ambassador of Switzerland to Azerbaijan, Sabine Ulmann Shaban
- 18.06.2013 Foreign Minister Elmar Mammadyarov received the delegation led by Vuc Jeremic, President of the UN General Assembly
- 27.06.2013 Foreign Minister Elmar Mammadyarov received the Vietnamese delegation led by Uong Chu Luu, vice-president of the National Assembly of the Socialist Republic of Vietnam
- 01.07.2013 Foreign Minister Elmar Mammadyarov received Filippo Lombardi, President of the Council of States of the Swiss Confederation
- 02.07.2013 Foreign Minister Elmar Mammadyarov received the delegation led by Evelyn Farkas, Deputy Assistant Secretary of Defence of U.S for Russia, Ukraine and Eurasia

- 02.07.2013 Foreign Minister Elmar Mammadyarov received Lithuanian Ambassador, Arturas Jurauskas
- 03.07.2013 Foreign Minister Elmar Mammadyarov received the outgoing Greek Ambassador, Ioannis Metaxas
- 04.07.2013 Foreign Minister Elmar Mammadyarov received the outgoing Italian Ambassador, Mario Baldini
- 04.07.2013 Foreign Minister Elmar Mammadyarov received the outgoing Ambassador of Belgium, Luc Truyens
- 04.07.2013 Foreign Minister Elmar Mammadyarov received the newly appointed Swiss Ambassador to Azerbaijan, Pascal Aebischer
- 05.07.2013 Foreign Minister Elmar Mammadyarov received the delegation led by Chairman of the Parliament of Croatia, Josip Leko
- 08.07.2013 Foreign Minister Elmar Mammadyarov received the delegation consisting of the members of the European Parliament
- 10.07.2013 Foreign Minister Elmar Mammadyarov received the delegation led by Interior Minister of Afghanistan, Ghulam Mujtaba Patang
- 16.07.2013 Foreign Minister Elmar Mammadyarov received the delegation led by former Director-General of UNESCO, current Chairman of the Foundation for a Culture of Peace - Madrid Club, Federico Mayor Zaragoza
- 01.08.2013 Foreign Minister Elmar Mammadyarov received the EU delegation led by Philippe Lefort, EU Special Representative for the South Caucasus
- 01.08.2013 Foreign Minister Elmar Mammadyarov received the newly appointed Ambassador of Germany, Heidrun Tempel
- 12.08.2013 Foreign Minister Elmar Mammadyarov received the Secretary General of Cooperation Council of Turkic Speaking States, Halil Akinci
- 14.08.2013 Foreign Minister Elmar Mammadyarov held a meeting with Foreign Minister of Kyrgyz Republic, Erlan Abdildayev on the sidelines of the Third Summit of the Cooperation Council of Turkic Speaking States
- 27.08.2013 Foreign Minister Elmar Mammadyarov received the newly appointed Ambassador of the Netherlands to Azerbaijan, Robert Jan Gabrielsen
- 27.08.2013 Foreign Minister Elmar Mammadyarov received the newly appointed Ambassador of Belgium to Azerbaijan, Carine Petit
- 27.08.2013 Foreign Minister Elmar Mammadyarov received the newly appointed Ambassador of Italy to Azerbaijan, Giampaolo Cutillo

- 27.08.2013 Foreign Minister Elmar Mammadyarov received the newly appointed Greek Ambassador to Azerbaijan, Dimitrios Tsoungas
- 28.08.2013 Foreign Minister Elmar Mammadyarov received the outgoing Ambassador of Kuwait to Azerbaijan, Ghassan Abdulbari al-Zawawi
- 28.08.2013 Foreign Minister Elmar Mammadyarov received the outgoing Ambassador of Jordan to Azerbaijan, Adel Mohammad Adaileh
- 29.08.2013 Foreign Minister Elmar Mammadyarov received the delegation led by Head of OSCE ODIHR Election Observation Mission, Tana de Zulueto
- 30.08.2013 Foreign Minister Elmar Mammadyarov received Slovenian delegation led by Mayor of Ljubljana, Zoran Jankovic, which also comprised Minister of Defense Roman Jakic and Minister of Economic Development and Technology, Stanko Stepisnik
- 09.09.2013 Foreign Minister Elmar Mammadyarov received the outgoing Ambassador of Lithuania, Arturas Jurauskas
- 09.09.2013 Foreign Minister Elmar Mammadyarov received the newly appointed Ambassador of the Republic of Sudan to Azerbaijan, Mohammad Elias Mohammad al-Haq
- 09.09.2013 Foreign Minister Elmar Mammadyarov received the newly appointed UK Ambassador to Azerbaijan Irfan Siddiq

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THE WORLD ECONOMIC FORUM (DAVOS FORUM) STRATEGIC DIALOGUE ON THE FUTURE OF THE SOUTH CAUCASUS AND CENTRAL ASIA

8 April 2013, Baku

On 8 April 2013, the World Economic Forum (Davos forum) on the subject of "Strategic Dialogue on the Future of the South Caucasus and Central Asia" was held in Baku. The opening ceremony and the first session of the forum on the subject of the "Future of the South Caucasus and Central Asia" were attended by President of the Republic of Azerbaijan Ilham Aliyev and his wife Mehriban Aliyeva.

The attention of the world is focused on Azerbaijan once again. Baku, which has been hosting high-level international events in recent years, is the venue of the World Economic Forum. Renowned economists predicting the global economic situation, experts, state and government officials have chosen Baku as a center of discussions on important economic issues of concern to humanity.

The overall agreement on conducting the World Economic Forum in Baku was reached at a meeting of President of the Republic of Azerbaijan Ilham Aliyev with the founder and executive chairman of the Davos Economic Forum, Klaus Schwab, in Davos on 23 January.

In opening remarks at the forum, the founder and executive chairman of the Davos Economic Forum, Klaus Schwab, said:

-Dear Mr. President, distinguished guests, dear friends and members of the World Economic Forum.

I am infinitely pleased to welcome you all to the first World Economic Forum on the strategic dialogue on the future of the South Caucasus and Central Asia.

With your permission, I would like to thank you, Mr. President. I would like to thank the Government of Azerbaijan for the excellent organization of this forum in such a beautiful city as Baku. With your permission, I would also like to note that I last visited Baku 20 years ago. I must say that there have been tremendous changes since that time. Baku has become a beautiful city. We are honored to conduct the World Economic Forum in Azerbaijan. Azerbaijan is a country with enormous opportunities. In general, recent years have seen very high growth indicators. This has been made possible first of all thanks to the proper use of the country's exceptional potential in the area of natural resources. At the same time, these successes have been achieved through the successful and skillful use of these resources for the diversification of the economy. Azerbaijan is an advanced country in the field of information technology, finance, and construction.

I should note that no country of the region can realize its potential on its own. Long-term economic success requires cooperation. In other words, success depends not only on natural resources.



Azerbaijan has a unique geographical location and a skilled and well-educated work force. Thanks to the sound atmosphere created here, as well as collaboration and cooperation, it is possible to achieve many successes. If we look at the European continent or the Asian region, we can see that success in the economic and social spheres definitely requires collaborative efforts based on trust and long-term cooperation. That is why the World Economic Forum provides a unique format.

The objective of the forum is not only to conduct certain meetings. Its goal is to launch long-term initiatives. Certain scenarios are proposed for the South Caucasus and Central Asia regions. These processes will be continued in the next 18 months. This process will involve leading personalities from the region and beyond. The goal is to achieve regional economic integration. Different scenarios for the long-term future of the region are being created. The goal is to examine the unique evolutionary potential of the region and consider various alternative scenarios. Today we are beginning this process. The goal is to identify unique opportunities of the region.

I do hope that you will share your valuable thoughts and exchange views with the speakers represented on our panel.

Mr. President, at the same time I would like to take this opportunity to thank you for your friendship and cooperation with the World Economic Forum. For many years you have been participating in our annual meetings. In this respect, you have wonderfully represented Azerbaijan and the region in the international arena, helped us develop a complete idea about the economic potential of the region and the contribution the region will make to the economic prosperity of the world.

Then a video prepared by the World Economic Forum and describing the potential economic development of the South Caucasus and Central Asian regions was shown. Special attention in the video was paid to the successes and economic potential of Azerbaijan. Then the voting took place to determine areas of discussion. The survey regarding the future of the region included three points – disunity, integration and polarization. During the voting participants of the event were unanimous on conducting a discussion on the topic of integration.

The director of the Johns Hopkins Institute of Central Asia and the Caucasus Institute (USA), Frederick Starr, described the voting results as positive. He said that if we pay attention to the energy sector over the past 15 years, we can see that the issue of diversification had become more relevant and in the future it would inevitably cover sectors such as telecommunications and transport.

Touching upon the importance of the region, Frederick Starr said that it was becoming a significant center of the continent and emphasized the importance of creating the Southern Corridor and other routes.

President Ilham Aliyev made a speech at the forum.

Speech by President of the Republic of Azerbaijan Ilham Aliyev

- Dear ladies and gentlemen! Distinguished guests!

I want to welcome all of you to Azerbaijan. Let me express my appreciation for the opportunity to participate in such a great event.

My special thanks go to Professor Schwab and all the participating countries in this forum for supporting our country and accepting our invitation to attend the World Economic Forum being held in Baku. As Professor Schwab has noted, I have participated in this forum seven times. I can say that this participation, the presence at discussions and communication with the world's business elite have helped us a lot in diversifying our economy. Our economic development begins with the energy sector, and this sector is still quite attractive for foreign investment.



At present, our main goal is to diversify the economy. To do that, we have to assert ourselves in the international business community not only as a country with an important geographical location and natural resources, but also as a country committed to reform, transformation and diversification. I can say that the World Economic Forum and the opportunities opened up thanks to the meetings held in Davos have facilitated the establishment of relations with international companies which did not know anything about Azerbaijan in the past. Our country is relatively young – our independence is 21 years old.

But Azerbaijan is a country with a great history, customs, traditions and culture. I am sure that you will have a chance to learn more about Azerbaijan. But we have been an independent country for only 21 years.

Professor Schwab has said that he first visited Azerbaijan in March 1993. Perhaps those days were the most difficult for our young independent country. Our independence was less than two years old at the time, and I think that the situation in Azerbaijan was the most difficult among all post-Soviet republics. There was internal strife and civil confrontation, there was war between Armenia and Azerbaijan, and these events led to the occupation of 20 per cent of our internationally recognized territory.

But 1993 was a turning point in terms of development. In the middle of 1993, the situation began to stabilize. We launched very serious, fundamental political and economic reforms, and Azerbaijan introduced itself to the international community. It was a period of transition from a planned economy to a market one, from a one-party rule to a multiparty system, from totalitarianism to democracy. I can say that from a historical point of view 21 years is, of course, a short period of time. But at the same time, it was a period of real change. At the initial stage of reforms Azerbaijan managed to attract major investment to its energy sector. We are grateful to foreign investors and major energy companies for investing in Azerbaijan. At the next stage, we managed to move the vector of economic development off the energy sector into the non-energy sector and attracted investment to the sector that is not associated with oil and gas. At the same time, we continued political and economic reforms, and this process is still under way. This will create opportunities for Azerbaijan's sustainable development in the coming years.

We have a very favorable geographic location. But without the infrastructure this location does not really matter. We have natural resources, we have created a diversified network to transport our hydrocarbons. Azerbaijan does not have access to the open sea. Therefore, to transport our oil and gas we had to build pipelines. This was one of the biggest challenges facing us in the late 1990s and early this century. This task was completed successfully. At present, we have a diversified network of pipelines. There are seven oil and gas pipelines to transport Azerbaijani oil and gas to international markets, to European markets. At the same time, Azerbaijan has begun to play the role of a transit country in the transportation of hydrocarbons for our partners on the other side of the Caspian Sea.

But in the last 10 years our main goal has been to diversify the economy. If you pay attention to the economic development of Azerbaijan, you can see that in the last 10 years our economy has been one of the fastest growing economies in the world. The gross domestic product has grown three times –by 300 percent, while industrial production has increased 2.5 times. We have managed to reduce unemployment –at present the unemployment rate is 5.2 percent. Ten years ago, almost half of our population lived in poverty. Now the poverty rate is 6 percent. Budget expenditures have increased almost 20 times, while inflation is at a level of about 1 percent. This development has been observed for the last 10 years.

We are also very pleased to see an assessment of our achievements by the World Economic Forum. In terms of economic competitiveness, the World Economic Forum has ranked Azerbaijan in 46th place in the world. Our country has been ranked first in the CIS for the fourth consecutive year. Our economy continued to grow even during the financial crisis. And when the oil price fell sharply, our economy continued its development because our non-oil sector produced good results. Such major credit rating organizations as Fitch, Standard & Poor's and Moody's have recently upgraded the credit rating of Azerbaijan. This is also a good indicator of the reforms. We are currently converting oil revenues into human capital, and one of our main forward-looking objectives is education.

Education is the most important factor in the successful development of any country. Investment in education, relations between our universities and the leading universities of the world enable us to plan our economic future on the basis of a very serious intellectual potential. At the same time, we are now investing in new technologies. Today, the sphere of information and communication technologies is becoming a priority in Azerbaijan. Azerbaijan has already joined the club of a limited number of countries with a space industry. In February this year, we successfully launched our first satellite Azerspace-1, and this is only the beginning of our space industry development.

In other words, the years of independence have not only been those to transformation of the political and economic systems. It was a period when invested was made that would bring revenues in the coming years.

At the beginning of reforms one of our priorities was to create a positive investment environment. Over the past 10 years more than \$130 billion was invested in Azerbaijan. A certain part of this investment was foreign. The good investment environment, the predictable political situation, the stable situation in the country and, of course, the regional ties are among prerequisites for the success of each country.

One of the topics to be discussed today, of course, is regional cooperation and integration. I was very pleased to see the results of voting. In fact, I was expecting that because

Azerbaijan is playing a part in regional cooperation. The projects we started in the mid-1990s were aimed not only at the economic development of Azerbaijan, but also at the broader regional cooperation. We became the first country to declare the Caspian Sea open to foreign investment. We are the first country to have created a corridor from the Caspian to the Mediterranean and Black Seas. Oil and gas corridors subsequently began to play the role of a common geopolitical and energy corridor. We are now nearing completion of an important railway project linking Azerbaijan, Georgia and Turkey, and as our friend Mr. Starr has said, it will not be a purely regional project. This will be a project that will link Europe with Asia through Azerbaijan and neighboring countries.

I am very proud to say that we are playing a major role in this project not only with our financial resources, but also with our commitments and political will. Of course, as far as our government is concerned, the energy factor is no longer a top priority. But our energy potential has played and will play an even greater role in the energy security of the region and Europe.



Two years ago we signed a memorandum on strategic partnership in the energy sector with the European Union. It is being implemented now. One of the most important achievements of the recent period has been the Trans-Anadolu pipeline project, TANAP. The project was initiated by Azerbaijan and received strong support from our partners in Turkey and Georgia. Azerbaijan undertook the major financial commitment to implement the project and began the construction of the

pipeline which will serve for at least 100 years. When you consider the vast gas reserves of Azerbaijan and the potential resources of the region, this corridor may play an important role for decades to come. Of course, regional cooperation can take place only in politically stable and developing countries.

We will talk about transport routes, cooperation and integration. This is possible only if all the countries involved in the process have the same attitude. I am glad that the Caspian region, Central Asia and Azerbaijan are in this region – we see our future in close relations and cooperation, in integration and consolidation of our efforts to provide a better life for our peoples and a better future for our countries.

Dear friends! I want to welcome all of you to our country again. I want to express my gratitude to Professor Schwab and his delegation for conducting this forum in Baku. I am confident that the results of this event will have a very serious impact on our daily lives and the region will become more stable, predictable and prosperous. Thank you very much!

Addressing the forum, First Deputy Prime Minister of Kazakhstan Bakytzhan Sagintayev said:

-Dear Mr. President! Dear Mr. Chairman! Dear ladies and gentlemen!

First of all, I would like to thank the World Economic Forum for the invitation to attend such a prestigious meeting. Central Asia and the Caucasus is an important geostrategic region of Eurasia. Located at the center of the continent, it plays a vital economic role on this vast

area. Therefore, the growing interest in its future in the world is quite legitimate. We do hope that today's discussion will serve as a practical step in the search for new opportunities and enhancement of cooperation between our countries.

First of all, I would like to describe the current economic situation in Kazakhstan. Over the past decade, Kazakhstan has managed to double its economic potential. In absolute terms, the country's GDP has increased from \$18 billion in 2000 to \$200 billion at the end of 2012. The GDP per capita in the said period has increased from \$1,200 to \$12,000 in 2012. It is projected that by 2020 this figure will exceed \$20,000. We have managed to maintain the macroeconomic stability in the conditions of the global economic recession and a difficult economic situation in a number of leading countries. In 2012, the economy grew by 5 percent, while the unemployment rate in recent years has remained at a stable level of no higher than 5.5 percent. According to experts, Kazakhstan is one of the most attractive countries of the CIS in terms of investment. Since 1993, the country has attracted more than \$160 billion in direct foreign investment. According to estimates, Kazakhstan accounts for about 80 percent of direct foreign investment in the Central Asian region.

The financial potential of Kazakhstan is strengthening. International reserves, including the assets of the National Fund, exceed \$87 billion. The success of the country is also evidenced by the World Economic Forum, which ranks Kazakhstan in 51st place in the Global Competitiveness Index, i.e. our country has advanced by 21 places in one year entering the group of countries with a higher level of development.

A new stage of world development associated with innovation, the latest knowledge and technology requires the upgrade of the country's economic foundations. In this regard, since 2010 we have been implementing the State Program of enforced industrial innovative development aimed at large-scale diversification of the domestic economy. Today, there are plans to implement more than 775 projects with the creation of more than 200,000 jobs. Over the last three years more than 530 enterprises have been put into operation, which has enabled us to launch entirely new industries in the country and to upgrade the infrastructure. To support this program, there are nine free economic zones, technology and industrial parks, various financial and non-financial measures to support the private sector. In this regard, we invite countries of the region to cooperate with our companies and enterprises.

Taking into consideration the strategic goal set by President Nursultan Nazarbayev on making Kazakhstan one of the world's 30 most developed countries by 2050, we are beginning work on the modernization and transformation of Kazakhstan's economy in accordance with the parameters typical of this group of countries and best international practices.

The first practical step will be the transition to a "green economy". Sustainable development is impossible without a caring attitude towards the environment and natural resources. Therefore, the choice of the venue of the international exhibition Expo-2017, whose main topic will be the energy of the future, is not accidental. This will enable us to attract the advanced global technology and "green" solutions to the economy of our country. Moving on the second part of my remarks, I would like to highlight some of the promising areas of cooperation with the countries of Central Asia and the Caucasus. There is already some groundwork on a number of areas. But in general there is still considerable potential for expanding cooperation and implementation of business initiatives.

First, considering our geographical location at the crossroads of Europe and Asia, there is a significant transport and logistical capacity. Since ancient times our region has been located on the historic Silk Road between the East and the West. It is here that strategically important goods were carried from China and India to Europe. Therefore, Kazakhstan has seriously stepped up its efforts to restore its transit function of a bridge between the East and the West. To this end, a number of important East-West and North-South cooperation projects are being implemented. These are transcontinental projects which open up new opportunities for Kazakhstan and other countries of Central Asia and the Caucasus that do not have access to the sea and are located at a distance from international markets to expand trade and economic exchange. In particular, we are carrying out the construction of an international highway Western Europe-Western China. In the country's east we are implementing the "Khorgos - Eastern Gate" project which is aimed at improving trade ties with the rapidly growing region of South-East Asia and China. In the port of Aktau on the Caspian Sea we are realizing a project called "Western Gate of Kazakhstan". The implementation of these projects will eliminate many geographical barriers. This is a great scope for joint activities in the region.

Secondly, there is great potential in the agricultural sector. Today, Kazakhstan is one of the important centers of grain in the world and the world's second largest exporter of flour. Given the global demographic processes and the structure of the population of Kazakhstan, systematic steps have already been taken to improve the food base. According to the Agricultural Development Program-2020, there are plans to increase the production of organic agricultural products. A total of \$20 billion is to be spent on this by 2020. Kazakhstan is also ready for the close possible cooperation in this area.

Thirdly, the potential in the field of trade is not realized to the fullest. Thus, trade with countries of Central Asia and the Caucasus in 2012, according to estimates, was \$4.7 billion, an increase by 27 per cent compared to 2011. But this represents only 4.2 percent of Kazakhstan's foreign trade turnover. Trade with countries of the Caucasus constitutes only 0.4 percent of our total foreign trade. As we can see, the potential is vast and it is possible to increase the exchange of trade missions, conduct regional business forums and develop intergovernmental decisions.

In general, with regard to what has been said there is great potential and common interests. So there is a lot for us to think about. Separately, I would like to inform you that the regular 6th Astana Economic Forum will be held in Kazakhstan on 22 May.

The purpose of the meeting is to look for solutions to pressing international and regional problems faced by many countries around the world. The key event of the 6th Astana Forum is the global crisis management conference under the UN auspices. Taking this opportunity, we have the honor of inviting all the participants of today's meeting to the Astana Economic Forum.

In conclusion, I would like to wish this wonderfully organized Baku forum productive work. Thank you.

The Chairman of the Board and Executive Director of the Russian bank VTB, Andrey Kostin, said:

- Ladies and gentlemen, I believe that in the conditions of the economic and financial crisis in the European Union, we, as leading integration groups, are looking for extensive opportunities and new areas for economic growth.

Of course, the regions of the South Caucasus and Central Asia are one such area. As Mr. President Ilham Aliyev has said, Azerbaijan has achieved very high growth in the last 10 years. The results of economic development are truly admirable. President Ilham Aliyev has provided a picture of economic growth and I want to congratulate him on these achievements.

The economies of regional countries that have oil, gas and other mineral resources may grow more rapidly than other countries. But we understand that the time of oil and gas is not eternal. The world must be prepared for a more competitive market, as alternative sources of energy may be offered in the future. As I have mentioned, this region opens up excellent opportunities for growth. At the same time, one of the biggest issues for the region is the problem of security. From a military and political point of view, it is a very complex region. To ensure a safe future for the region, we, of course, should seriously deal with these issues and resolve them. But there are also opportunities for cooperation here. Integration of the strategies of countries that export energy is very important. From a practical point of view, Azerbaijan has achieved great successes in this area.

At the same time, we believe that it is in our common interest to cooperate closely. During Soviet times our economy was unified. Of course, a lot has changed. But there are extensive opportunities for cooperation in the fields of industry, economy and many other areas. Therefore, we offer other options. Our approach is that through integration with countries of the region we can use many approaches. We have already joined the customs union with countries such as Kazakhstan. At the same time, we are moving towards a single economic space. With other countries we can engage in a more lenient cooperation, a cooperation of a lower level. Perhaps in the future cooperation with them will be continued in another direction. We believe that Russia has no influence on the economic and political independence of the countries of the region. We do understand that countries of the region are at different levels of development. Therefore, cooperation can also be of different levels. But I still think that both from the economic and political points of view, the region will receive a substantial benefit.

Addressing the forum, First Deputy Prime Minister of Kyrgyzstan Jomard Otorbaev said:

- Mr. President, Professor Schwab! Thank you very much for the excellent organization of the event. In general, the development of fraternal Azerbaijan has made a great impression on me. I regret that this is only my first time in Azerbaijan. The processes ongoing here have truly made a very deep impression on me.

Mr. President, of course, we must point to your personal role in this development process. Yesterday we had the opportunity to talk to ordinary people, young people and students in the street. We saw that they are in a good mood and are optimistic. Certainly, we can be proud of all these achievements of fraternal Azerbaijan.

We are participating in a unique forum. The Kyrgyz Republic will participate in similar forums in the future too. The region as a whole must be more dynamic and more ambitious. The world is changing and developing very fast. We have to move forward at least with the same speed. We must use the entire dynamics of the region. We heard some figures in the statements made here. The gross domestic product of all five countries of Central Asia put together is less than the gross domestic product of a small country such as Singapore. This means that there is great potential for development, there are huge natural resources. There is a very large human capital which is still not being used.

The Kyrgyz Republic is an open country. Our objective in the development of the political, economic and social spheres is to create a competitive environment. In this sense, our only priority is to strengthen the regional cooperation. The Kyrgyz Republic is rich in natural resources. The proven reserves of gold exceed 1,000 tons. At the same time, our country is very rich in hydropower resources. Our goal is to build the infrastructure to create a positive and favorable investment environment.

As President Aliyev has stressed, regional cooperation should play a major role in the development of the region. If Marco Polo had traveled to the region, it would take longer in our time because there are certain problems on our borders. They are associated with documentation and bureaucracy. We can not be happy with the current level of development. Let us achieve greater development. Thank you.

On the same day, the closing dinner reception of the World Economic Forum (the Davos forum) has been held in Baku. The working dinner reception has been joined by President of the Republic of Azerbaijan Ilham Aliyev and his wife Mehriban Aliyeva.

The host of the event, Professor at Leiden University of the Netherlands Victor Halberstadt said that the outcomes of the sessions held earlier in the day would be discussed during the final working dinner.



The founder and executive chairman of the World Economic Forum, Klaus Schwab, expressed his gratitude to the President of Azerbaijan for the excellent organization of the Baku forum. He noted that under the leadership of President Ilham Aliyev Azerbaijan had made tremendous achievements which would be continued in the future. Klaus Schwab extended the appreciation of the forum participants to the people of Azerbaijan for the warm hospitality.

The president of bp for the Azerbaijan, Georgia and Turkey region, Gordon Birrell, said that very significant discussions had been held during the World Economic Forum in Baku. Stressing that bp shares 20 years of partnership with Azerbaijan, Gordon Birrell said that this cooperation was based on effective dialogue and mutual trust. He stressed that thanks to the political stability in the country not a single change had been made to the agreements signed.

The vice-president of the Russian Direct Investment Fund, Peter Sannikov, noted that the working group of which he was a member had held an interesting discussion about what was in the way of major investment projects in the region, ways of addressing these obstacles and other pressing issues.

The Duke of York, Prince Andrew noted the importance of the exchange of views on the enhanced use of advanced technologies, in particular the use of telecommunications and broadband Internet, as well as the promotion of entrepreneurial opportunities.

The chairman of the State Customs Committee of Azerbaijan, Aydin Aliyev, noted that at the center of today's debate were issues of expansion of the transit traffic in the region, investment in the road infrastructure and logistics, as well as the strengthening of the fight against drug trafficking and smuggling.

President of Azerbaijan Ilham Aliyev also addressed the meeting.

Remarks by President of the Republic of Azerbaijan Ilham Aliyev

- Dear Professor Schwab.

Ladies and gentlemen, dear guests! I want to welcome all of you to our country again. Welcome to Azerbaijan! I would like to express my special thanks to Professor Schwab for the decision to conduct the World Economic Forum in Baku and for the kind words and comments about the development of Azerbaijan.

Today's panel sessions had very interesting discussions. We have received information that the topics discussed have aroused tremendous interest. I am confident that the results of these discussions will create a better understanding in the business community, among political leaders and representatives of the region. The regions of Central Asia, the Caspian and Black Seas, and the South Caucasus have great potential. We have been able to show only a part of this potential. But I am sure that in the coming years we will pay more attention to these discussions. At the same time, they form the ideas and create an environment for expressing the opinions and expectations, including the issues that are causing concern and at times disappointment. However, the major trend observed in the region is one of integration and cooperation.

All the issues we have raised today are linked to Azerbaijan. When it comes to the energy resources of the Caspian Sea, it is clear that at the present stage in the development of the energy resources of the Caspian region Azerbaijan and bp are at the forefront. This company is our main strategic partner. This partnership has lasted for more than 20 years. This company leads the oil and gas consortium where energy companies from many regions around the world are well represented. There is a favorable investment climate and the necessary legal support. As the head of "bp-Azerbaijan" has mentioned, not a single contract has been revised. In fact, not even a single clause of these contracts has been reconsidered. Because all the contracts are adopted by the parliament and signed into law by a decree of the President. No-one can change them. This creates confidence, predictability and stability.

In the early 1990s, the only way for Azerbaijan to develop and strengthen its independence was through political and economic reform and investment. We are very grateful to our friends and partners who were with us in the most difficult times for our country, made investment in Azerbaijan and showed their confidence in us. Today they keep on supporting our country. Based on the very positive experience we have gained in the oil and gas industry we can say that, having carried out the changes in Azerbaijan, we have created a non-energy sector. I said a few words about that in the morning.

The support provided for the private sector and entrepreneurs, the encouragement of local and foreign investment are among our top priorities now.

Twenty years ago, when Azerbaijan had just gained independence, the share of the market economy in the GDP was equal to zero. Today this figure constitutes 83 per cent. This is a good result of the reforms in the area of the market economy. In other words, the period of transition from a planned to a market economy has ended. At present, extensive opportunities are opening up in the non-energy sector of Azerbaijan, in the areas of construction, high technology, agriculture, petrochemicals.

To ensure sustainable development of our country there is a state strategy aimed at attracting investment to the areas that are experiencing a need for that. We all know that oil and gas are temporary.



Not only are we preparing for a post-petroleum era even though it is at least 100 years away. We are also using the oil and gas revenues for the development of the non-energy sector, human capital and education. The younger generation is benefiting from that. Today, the young people receiving good education in Azerbaijan and abroad and dealing with important business activity in the country are making a contribution to the sustainable development of Azerbaijan.

Among the issues rose today there was the sphere of transportation. It is also very important. We have a favorable geographical location. But without the infrastructure it does not really matter. Therefore, investments in the transportation infrastructure, in pipelines, roads, ports and airports of the region create a special environment. Thus, Azerbaijan is becoming not only a geographical but also a logistics hub of the region. The railway project initiated by us and the pipeline infrastructure are serving the welfare of our country and our neighbors.

The main idea expressed at the forum today was to promote regional cooperation. We are very interested in the development of regional relations and cooperation because without the regional cooperation we can not achieve anything. Our country does not have access to the open sea, but it has ample reserves of hydrocarbons. If it hadn't been for pipelines, these reserves would have remained under the water for another century. Without the regional cooperation, the support of our neighbors and our own support it would have been impossible to achieve any success. The same applies to the field of transportation.

This regional cooperation enables us to invest in reform. As a result, our economy is changing and the foundation is laid for sustainable development. This is the most important thing. A market economy, a strong political system, stability, investment, investment in human capital, sustainable development - all this is highly important. Today we are talking a lot about sustainable development. We are talking about change.

I think that Azerbaijan can serve as an example of how this can occur. The results are obvious. Yes, a lot remains to be done in the future. We need to pay even more attention to the reforms, to the development of political institutions, to the legal framework, and the rule of law. With the support of our friends in the world, of the World Economic Forum which is considered forum number one in the world and brings together politicians, world leaders and the business elite, we can achieve great successes. I want to once again express my gratitude to Professor Schwab for inviting Azerbaijan to participate in Davos seven years ago, for giving us the opportunity to introduce ourselves and to establish contacts, for creating a special atmosphere of cooperation and for deciding to hold the World Economic Forum in Baku. Dear friends, thank you very much again. I wish you a pleasant evening.

The President stressed that political leaders and representatives of the business community held working discussions during the forum. Along with this, President Ilham Aliyev stressed the importance of the forum in terms of informing the participants about the processes under way in Azerbaijan and the production and transportation of the energy resources of

the Caspian Sea. Briefly reviewing the history of the independent Azerbaijan, the President said: "In 1993, we turned to friendly states to invest in our country, and thanks to their help Azerbaijan began to capitalize on its oil and gas potential. After that the oil revenues were channeled into the development of the non-oil sector."

President Ilham Aliyev said that while in the first years of independence the share of the private sector in the economy was equal to zero, now it has reached 85 per cent. The head of state spoke about the role in the development of the country of major projects implemented in Azerbaijan thanks to the effective cooperation with bp and other major companies of the world, stressing that the revenues obtained are spent on developing the human capital – youth and education. Significant investment is made in the air, sea and railway transport of the country, which has a favorable geographic location. Noting that, in general, these projects are aimed at the welfare of the peoples of the region, President Ilham Aliyev reiterated that Azerbaijan gives preference to regional ties.

Minister of Foreign Affairs of Mongolia Luvsanvandan Bold pointed to the great importance of the World Economic Forum. Touching upon the issue of economic diversification in his country, he noted that Azerbaijan's experience in this area deserves attention.



Prime Minister of the Republic of Lithuania Algirdas Butkevičius expressed his gratitude to the organizers of the forum and touched upon the relevance of the topics discussed. Noting that he was honored to participate in the forum, the Prime Minister of Lithuania said that Azerbaijan had organized the event excellently.

Having thanked President Ilham Aliyev for the high level of organization of the event and hospitality, Albanian

Prime Minister Sali Berisha said that he had great respect for the fact that Azerbaijan had implemented important regional projects in spite of the lack of stability in the region where the country is located. Sali Berisha stressed the important role of Azerbaijan in the global energy security.

A member of the board and executive director of the World Economic Forum, Borge Brende, stressed that very important information about the economy of the region was shared during the forum. Speaking about Azerbaijan's economic success, Borge Brende said they that it had been achieved thanks to the political leadership of President Ilham Aliyev. He expressed his confidence that the Baku forum would contribute to the economic prosperity of the regions of the South Caucasus and Central Asia.

THE FIRST WORLD FORUM OF GRADUATES OF MOSCOW STATE INSTITUTE FOR INTERNATIONAL RELATIONS (MGIMO)

12 April 2013, Baku

On 12 April 2013, the First World Forum of Graduates of Moscow State Institute for International Relations (MGIMO) was held in Baku. President of the Republic of Azerbaijan Ilham Aliyev and his wife Mehriban Aliyeva attended the forum.

The initiative of the Azerbaijan Association of MGIMO graduates to conduct this forum in Baku has aroused interest among graduates of this institution throughout the world. The forum is being attended by government officials, representatives of influential international organizations, businessmen and financiers from Russia, Ukraine, Hungary, the Czech Republic, Bulgaria, Moldova, Poland, Slovakia, Cuba, South Korea, Israel, Kazakhstan, Kyrgyzstan, Vietnam and other countries.

Overall, the forum has been joined by over 400 representatives, as well as Azerbaijani graduates living and working abroad.

President of Azerbaijan Ilham Aliyev delivered a speech at the opening ceremony.

Speech by President of the Republic of Azerbaijan Ilham Aliyev

- Dear friends! Distinguished guests! Dear MGIMO community!

I would like to welcome all of you to Azerbaijan with all my heart, to say “welcome” to you and to express my confidence that the First World Forum of MGIMO Graduates will be at a high level and in the spirit of our traditions, in the spirit of mutual understanding and friendship. I am sure that the experiences we are going to share today will remain in our memory for a long time.

I think that each one of us, graduates of MGIMO, has about the same feelings today. We think about the years when we studied at MGIMO, remember with gratitude our teachers, classmates, and friends, and some moments of our lives. All this is natural and must have united all the graduates of MGIMO who cherish fond memories about our university. But when we are gathered for this forum today, I think that the atmosphere that exists here fully reflects the atmosphere of MGIMO which we remember, which we will never forget and which we appreciate.



As a matter of fact, MGIMO is an institution, now a university, founded on very deep and strong traditions. I would like to thank everyone who taught me, my teachers, professors and heads of departments. I would like to express my special appreciation to our great rector Nikolay Ivanovich Lebedev. Nikolay Ivanovich and I had a very long conversation, for about two hours, yesterday and, of course, remembered the years when I worked and studied under the supervision of Nikolay

Ivanovich. We spoke more about foreign political and regional issues. And I was further convinced how profoundly and comprehensively Nikolay Ivanovich knows the issues of

contemporary international life and accurately analyzes everything that happens. I want to reiterate that I am very impressed with our meeting yesterday. I also want to say that it was under the leadership of Nikolay Lebedev that, in my opinion, the basic traditions we are cherishing today were laid at MGIMO. Under his leadership in the 1970-80s MGIMO turned into one of the leading universities of the country and held the brand very high.

But everything is relative. I also remember that after the departure of Nikolay Ivanovich our institution and indeed the whole country entered a period of rather difficult times. There was extensive reshuffling, rectors were replaced almost annually, and the period of, let's say, stabilization and renewed prosperity of our institute began under the leadership of Anatoliy Vasiliyevich Torkunov.

I think that all the graduates of MGIMO are sincerely grateful to him for preserving, strengthening and multiplying our tradition. Under his leadership, MGIMO is a world class higher education institution today, and many from Azerbaijan seek to receive education at MGIMO. I also have to say that the tradition of MGIMO has been passed on to us. Our family tradition continues. I am also very glad that Leyla has also received good education at MGIMO.

I think that both yesterday and today there will be many opportunities just to talk and to remember the past, but also to discuss the important issues of modern politics, international life and economic relations.

Because today MGIMO graduates hold senior positions in many countries and address important issues. Of course, I think that the meeting taking place in Baku today will give an impetus to even greater convergence between the countries we represent.

Fifteen years of my life were associated with MGIMO - first the years of study, then the post-graduate school, and then work. These are unforgettable years, these are perhaps the best years for everyone, the years of youth and formation. And the knowledge and experience I have received at MGIMO, I will say quite frankly and without exaggeration, are helping me in my work today.

Today we are all gathered in Azerbaijan, so I would like to say a few words about the road our country has covered in recent years. The years of independence started out in a very difficult way, there were very contradictory processes, the first years of independence – those were the years of chaos, anarchy, permissiveness and unrest which led to the civil war and economic collapse. The industry was in stagnation, inflation was measured in thousands per cent, and in general the prospects for the development of Azerbaijan as an independent state were highly doubtful. But the wisdom of the Azerbaijani people at the most crucial moment was manifested in the fact that the people turned to Heydar Aliyev and called on him to lead the country out of a severe crisis. And starting from 1993, even if we just look at the statistics and observe the economic and political processes, a period of stabilization began. Azerbaijan broke out of the information blockade, established strong ties with neighboring countries, with countries of the region which were totally disrupted in the first years of independence, and a period of stabilization, development and integration into the world community began. Subsequently these processes gained momentum and picked up pace. And since the 2000s, the dynamics of Azerbaijan's development began to manifest itself in everyday life and in the growing international authority of our country.

Many successes have been achieved in the economic sphere over the past 10 years. Azerbaijan is one of the fastest growing economies in the world. Over the past 10 years our economy has grown three times. The industrial capacity has also increased almost three times. Major infrastructure projects have been implemented, the poverty rate has been reduced from almost 50 to 6 per cent, unemployment is within 5 per cent, the external debt is in the order of 7-8 per cent of the GDP, while the country's foreign exchange reserves account for about 70 per cent of the GDP. The country is economically self-sufficient. We are resolving many social problems. Of course, the energy sector still forms the foundation of the economy, and it is only natural because the world's first oil was industrially produced in Baku. The world's first oil offshore was also produced in Baku.

The tradition in the oil and gas sector is maintained and strengthened. Of course, the energy factor at the first stage of the development of the independent Azerbaijan has helped us a lot. I think we have managed to rationally dispose of this wealth and evenly distribute the natural resources among members of society.

But at the present stage, when energy issues have been successfully resolved in general, the main objective for us is to develop the non-oil sector. A lot is also being done here, but there is still a lot to do. But even the statistics for the first three months suggests that the economy in the non-oil sector grew by more than 11 per cent, and this is an indicator of diversification of the Azerbaijani economy. A lot is being invested in modern technologies, in the information and communication technology. In February of this year, we launched the first Azerbaijani artificial telecommunication satellite "Azerspace-1". Thus, Azerbaijan has joined the club of space-faring countries. I think that this is what reflects the realities of the present-day Azerbaijan and our intention for the future, because it is impossible to develop without technological progress and without the innovation-based economy.

Of course, we can and I think we should learn from the experience of advanced countries, but we also need to work very hard to train modern and qualified personnel. A lot is being done in this direction too. There is a state program for the training of our students at leading universities of the world, including MGIMO. This creates the necessary human resources without which it is simply impossible to develop the economy of the country at the desired pace. As I have said, development is diverse now. The sectors of the economy that did not even exist in Azerbaijan before are now developing. As I mentioned, the ICT sector and the sphere of tourism are actively developing, but a lot remains to be done in this area.

I also have to say that the economic achievements of Azerbaijan have been noticed by leading international organizations. The world's three major rating agencies – Fitch, Moody's and Standard & Poor's – upgraded the credit rating of Azerbaijan at a time when many European countries are faced with the opposite picture.

Also, according to the assessment of the Davos World Economic Forum, the Azerbaijani economy is in 46th place in the world and first in the CIS in terms of competitiveness. And this, I think, is an indication of the fact that we have managed to get away from lop-sided development of our economy and industry, and the foundation that has been laid will, of course, only work for the good of our country in the future.

Issues related to the energy diplomacy are successfully resolved as well. I think that this term is fully justified in the present conditions, because quite often energy security issues develop into security issues as a whole. In this case, due to its natural resources, geographi-

cal location and a developed infrastructure for the transportation of oil and gas resources, Azerbaijan is playing an increasingly important role. We have also established very effective links with our neighbors. Azerbaijan is an exporter of oil, gas and electricity to all the neighboring countries. Of course, cooperation in this area, especially between producer countries, is of particular importance at this point because producers are naturally interested in the markets, they have a common interest.

I have to say that the issue of energy diplomacy is directly linked to the issue of foreign policy. It would probably be wrong not to touch upon some issues related to Azerbaijan's foreign policy initiatives here. We are conducting a very active foreign policy that has long gone beyond our regional frames. On the regional scale, the initiatives we have put forward are largely supported by our partners. These initiatives are first and foremost associated with economic development, integration processes and energy issues. We are also actively pursuing an independent foreign policy on international issues.

I think that one of the most important issues of the recent period has been Azerbaijan's accession to the Non-Aligned Movement Organization. I think that this is a significant event which reflects the modern vector of Azerbaijan's foreign policy aspirations. I think it is also another element in our active foreign policy on a global scale. And the support we received from members of the Non-Aligned Movement at the first summit we attended, in particular, on the settlement of the Armenian-Azerbaijani Nagorno-Karabakh conflict, once again proves the correctness of our choice.

The Nagorno-Karabakh conflict poses the biggest threat to the security of the region and Azerbaijan.

The unresolved status of this conflict is affecting the entire region. There are internationally recognized legal norms that dictate the ways for the settlement of this conflict, namely the fact that the territorial integrity of Azerbaijan must be restored and all the territories under occupation – both Nagorno-Karabakh and the area around it – should be returned to the party that owns these territories under international law. The territorial integrity of Azerbaijan is recognized by the entire international community and should be restored without any preconditions.



We strive to give a further impetus to the negotiating process. Unfortunately, the opposite side is applying the delaying tactics which has no future. It is more expensive to contend or be at enmity with Azerbaijan today than ever before, while in the future it will be simply impossible. So it is in the interests of all the interested parties to reach a settlement of the conflict on the basis of the principles of international law, the Helsinki Final Act, the decisions and resolutions

of international organizations as soon as possible. Among them, of course, I would like to first of all point to the four UN Security Council resolutions calling for an immediate and unconditional withdrawal of Armenian occupying forces from our territory. Unfortunately, the resolutions adopted 20 years ago are not being fulfilled. And here we are faced with yet another manifestation, another element of double standards. All of us, as they say, former and current experts on international affairs, know perfectly well what is going on in

the world. We are well aware that, in some cases, resolutions of the Security Council are executed in a matter of hours. In our case, these resolutions have remained on paper for 20 years. This does not add credibility to the Security Council and the UN as a whole. I believe that an early settlement of the conflict will also remove this unnecessary ambiguity and eliminate the elements of double standards, which, unfortunately, are still quite widespread in present-day international affairs.

Another important event in the international life of Azerbaijan is our election to the very Security Council which has adopted resolutions on Karabakh. This was the apex of our foreign political activity. We received the support of 155 countries and are sincerely grateful to all the countries that actively supported us, first of all, to our neighbors. Azerbaijan received the greatest support in being elected as a nonpermanent member of the UN Security Council from our neighbors. I want to sincerely thank you once again. Support also came from many other countries, i.e. the world community. Sometimes, when we hear the term of world community from certain platforms, for some reason those who articulate this expression mean some regional organizations that do not have a large number of members. The world community is the UN. The world community is all of us, all the countries. It is not some sort of a club of the most developed or selected countries, it is all of us. We are all equal and have equal rights according to all the laws – the laws of nature and international law. Therefore, the active support of the international community – let me repeat that a total of 155 countries voted for our candidacy – is evidence of a successful foreign policy.

In conclusion, I would like to once again welcome you and express my gratefulness to all of you for coming here. I know that you are all very busy people and that you hold prominent positions in your countries. Nevertheless, you have found the chance to come here and be together again. It is an indicator of the feelings we have for each other and, above all, for our native MGIMO. I would also like to draw your attention to the fact that this forum is called the First World Forum of MGIMO Graduates. So this suggests that it will not be last. And even though it might be both a little premature and quite appropriate to talk about it now, taking into consideration several factors I will specify in a second, I would suggest that the second MGIMO forum be also held in Azerbaijan.

Speaking about these factors, I have to say that, immodest as it may seem, I am so far the only president. You know, in some situations it may be pleasant to be the only one, but, frankly, in this case I would like to see more of our fellow graduates among my colleagues. I think that we will be holding forums of heads of state and government among MGIMO graduates in the future. If we approach this issue from the point of view of the alphabet, Azerbaijan is also on top, not to mention the approach based on the alphabetical order of last names. So I want to say in all seriousness once again that we would be very happy to meet again in a year or two, whenever we decide, and to continue our dialogue.

Welcome once again, and I wish our forum success!

The rector of MGIMO, Academician of the Russian Academy of Sciences Anatoliy Torkunov read out a congratulatory letter on behalf of President of the Russian Federation Vladimir Putin to the forum participants.

The next speaker, the head of Rossotrudnichestvo, Special Representative of the Russian President for the CIS Affairs and a member of the MGIMO Advisory Board, Konstantin

Kosachev, read out a congratulatory letter on behalf of Minister of Foreign Affairs of Russia Sergey Lavrov to the forum participants.

Then the anthem of MGIMO was played. The forum continued its work in sessions. The priority topics of the Forum include issues of education, energy and environmental criteria towards sustainable development of the global economy and the role of civil society institutions, the media and the business community in the solution of international problems.

THE OFFICIAL VISIT OF THE PRESIDENT OF THE REPUBLIC OF LATVIA TO THE REPUBLIC OF AZERBAIJAN

24 April 2013, Baku



On 24 April 2013, an official welcoming ceremony of the President of the Republic of Latvia, Andris Berzins, who came to the Republic of Azerbaijan on an official visit, was held. A guard of honor was arranged in a square decorated with the state flags of the two countries in honor of the distinguished guest.

President of the Republic of Azerbaijan Ilham Aliyev met with President of the Republic of Latvia Andris Berzins.

After the one-on-one meeting, President of the Republic of Azerbaijan Ilham Aliyev met with President of the Republic of Latvia Andris Berzins in an expanded format with the participation of delegations.

Saluting the meeting participants, President of the Republic of Azerbaijan Ilham Aliyev said:

- Dear Mr. President! Distinguished guests! I warmly welcome all of you to Azerbaijan!

We are attaching great importance to your visit. I am confident that the visit will have very good results and Latvian-Azerbaijani relations will continue to develop successfully.

There is a very good cooperation between us. This cooperation covers practically all areas. Our political and economic ties are also developing. We cooperate very actively and support each other in international organizations. In other words, there are no problems between our countries. We simply need to step up our joint efforts to achieve even better cooperation. I am confident that the talks and the exchange of views to be held during the visit will provide a good opportunity for the resolution of all issues. Welcome again!

Expressing his gratitude for the warm welcome, President of the Republic of Latvia Andris Berzins said:

-Mr. President! Our delegation is very pleased to be here. We have a special interest in this visit.

Our interest is so high that we have specifically booked a large plane. Before this visit I began to collect information about your country. I have studied the development road your country has covered specifically in the last 20 years. It is very impressive in the true sense of the word.

We will soon celebrate the 20th anniversary of the establishment of diplomatic relations be-



tween our two countries. I believe that we have already established a very good relationship in all matters and in all areas. Our relations are at a very high level. This in itself is a good basis for our closer economic cooperation in the future.

After the meeting in an expanded format with the participation of delegations, President of the Republic of Azerbaijan Ilham Aliyev and President of the Republic of Latvia Andris Berzins held a press conference.

First the heads of state made statements.

Statement by President of the Republic of Azerbaijan Ilham Aliyev

- Dear Mr. President! Distinguished guests! Please allow me to warmly welcome you to Azerbaijan again!

Your visit is of great importance. The negotiations and exchange of opinions we have conducted today show once again that Latvian-Azerbaijani relations are at a high level. There is a very active political dialogue between us. There are no problems between us at the political level. We actively cooperate and support each other in international organizations.



Of course, we strive to ensure that communication in all areas is in line with the level of our political relations. First of all, I would like to mention the economic sphere. Despite the fact that there has been great progress in the economic sphere in recent years, the turnover is still not up to the standard. I believe that we have to achieve growth of our turnover together. I think that the possibilities for this are available. The business forum upcoming today should make a contribution to the development of relations between business entities. I believe that we should consider the investment projects in the economic sphere. There are already preliminary proposals. I want to say that Azerbaijan has already started to invest in foreign markets. This is already producing excellent results. We must work on specific projects in order to increase the turnover.

At the same time, additional opportunities can be set up to expand the activities of Latvian companies in Azerbaijan. I believe that these opportunities may be explored as part of the business forum. There has been great development in Azerbaijan in recent years and a number of projects are being implemented. Of course, we would like Latvian companies to work even more actively in Azerbaijan as contractors.

Today, we have also touched on energy issues. Azerbaijan has become a partner country for the European Union in terms of energy security. There are documents to prove that. Azerbaijan's rich oil and gas resources are supplied to world markets via different routes. I believe that cooperation with the European Union in this area may rise to a new level in the coming years. At the same time, there are good opportunities to address energy issues in the bilateral format.

Today we also exchanged views on the establishment of the transport infrastructure and cooperation in the field of transport. As a result of these projects, we can resolve the issues

of regional cooperation in a broad sense. The relations between countries of the Caspian, Black and Baltic Sea regions largely depend on the transport infrastructure. For its part, Azerbaijan is committed to resolving these issues. The large transportation projects carried out on our initiative are bearing fruit.

We have also had an exchange of views on foreign policy and can see again that there is no disagreement in this regard. In general, both during our one-on-one meeting and at the meeting with the participation of delegations we discussed a wide range of issues. I want to mention the humanitarian sphere. There is a need for cooperation to address the issues of education and health care.

Mr. President, I am sure that your visit will be a success. This is your first visit to Azerbaijan. I have repeatedly visited Latvia. I am sure that this visit will produce good results and you will return home with pleasant impressions. Welcome again!

Statement by President of the Republic of Latvia Andris Berzins

- Thank you, Mr. President!

Thank you very much for this opportunity to visit your country.

Latvia considers Azerbaijan an important and reliable partner in the South Caucasus. Thank you for such a broad description. After we established diplomatic relations between our countries, a good foundation emerged for future progress. In my view, we have developed important potential in our political and economic relations, and this development is rapid.

I would like to say on behalf of Latvia that in addition to discussing the energy agenda we have also identified other areas and touched upon the sphere of education. Since representatives of the education sector are also present here, we may well discuss the possibility of cooperation in this area. A total of 97 Azerbaijani students are studying in Latvia. This also provides a good basis for the strengthening of our relations in other areas, including the economic sphere. Our Minister of Health is also here. This is a very important area for Latvia.

This is an area associated with people's health. We are very active in this area, as well as in the field of humanitarian aid. From this point of view, I think that our countries can conduct exchanges. In addition, we will take great pleasure in sharing experiences in other areas - let's say, the experience we have acquired in working with the European Union and European institutions, our opportunities in the field of social protection. We can also exchange views on the improvement of the pension system and its development.



As far as other fields are concerned, I think we can have an effective exchange of experience in the field of border control, the fight against illicit drug trafficking, human trafficking.

With regard to the transport sector I would openly say that the development of aviation in Latvia may contribute to our mutual operations in this area. As you know, there are other trade routes, and one of them is called the "Bison". This is a container train which provides a way out of our Baltic Sea region into the region of the Black Sea. This, I think, could also

be one of the most interesting opportunities. I think that this is a step towards discovering the potential of Latvia and making it more attractive.

In 2014, Latvia's capital Riga will be city of European culture. I believe that this is also of paramount importance to cooperation in the field of culture. I think that the cultural sphere gives us good potential. In my view, we can present ourselves to the world and strengthen our positions in a better way.

Thus, in order to develop our relations, we would like to invite Mr. President to visit Latvia again in order to further strengthen the results of our two-day work. We believe that in this way we will be able to further expand our relations at all levels.

Our relations in the economic sphere have gained momentum. I believe that the work we have carried out to contribute to global security and the security of our countries is very important. I think that from this point of view we have a lot of potential. Working together, we can apply effective efforts and achieve great results.

For my part, I am grateful to all the participants from Azerbaijan, especially you, Mr. President. We know that the visit of our delegation will be completed tomorrow. We would like to go back to our country with specific thoughts and ideas. We know that although some issues are not developing well enough, i.e. at the desired pace, we believe we will coordinate this between each other, Mr. President. Thank you very much!

Ivo Jurkans (Latvian independent television): I have a question for the President of Azerbaijan. The issue of diversification of gas supply routes is extremely important for Latvia. We really want the "Nabucco" project to be implemented. What strong a contender do you think Russian will be in relation to this project? We know that you have ample reserves of gas, and the European Union also needs large volumes of gas. From this point of view, what do you think the position of Russia is?



President Ilham Aliyev: First of all, I believe that the work done by Azerbaijan to this day gives grounds to say that Azerbaijan will achieve great success in the implementation of the Southern Gas Corridor. As you say, we have very large gas reserves. We have proven gas reserves of 2.6 trillion cubic meters at present. But this figure is likely to grow because the newly-discovered fields are expected to have even larger reserves of gas. Thus, Azerbaijan should become a very important gas exporting country for many years, for decades to come. Of course, in order to achieve this, it is necessary to have different, i.e. diversified gas pipelines. Azerbaijan currently delivers its gas to world markets in different directions. Azerbaijan transports its gas to all neighboring countries except for Armenia. Of course, in order to enter the European markets in the future there should be new opportunities. I believe that the projects being implemented by Azerbaijan will be successful.

The most memorable of these in recent years has been the TANAP project. TANAP was initiated by Azerbaijan. As a result of the TANAP project, the Azerbaijani gas is to be delivered to the borders of Europe, after which it will enter the European gas network.

All of our initiatives are supported by the European Union. Two years ago European Commission President Mr. Barroso and I signed a memorandum on strategic cooperation in this hall. That memorandum applied to energy issues, and then active work began. Therefore, the market is European and the resources will come from Azerbaijan. There is successful cooperation with transit countries, and this cooperation has a wonderful history. We have already made good progress in the implementation of major oil and gas projects with our neighbors - Turkey and Georgia. So I do not see any obstacles. If we consider that Europe is interested in diversifying gas supplies, I think there should not be any obstacles here. As for the issues of competition, we do not intend to compete with anyone and are simply trying to transport our natural resources to the markets that are considered acceptable for us. In these matters the main role should be played by the principles adopted by the European Union. These are the principles of free and fair competition, the market economy. The European market is liberal, law-governed, very large and attractive for us. The interests of both Europe and Azerbaijan overlap here, which is why we view our relationship as a strategic partnership in the energy sector. In other words, there is a supplier country - Azerbaijan, there are transit countries - Georgia and Turkey, and there are consumer countries - members of the European Union. These countries do not disagree on matters of energy supply and energy security. There were simply some delays at a certain period. And in order to fill this vacuum, Azerbaijan, I want to say again, proposed the Trans-Anatolian Project (TANAP). I am sure that, as ever, we will achieve great success in implementing this project.

Albina Atlikhanova (Azerbaijan State Telegraph Agency - AzerTAC): My question is to the President of Latvia. Today Baku will host the Azerbaijani-Latvian forum for the business people from both countries. Mr. President, I would like to know what you expect from the forum and, in general, what contribution it can make to the expansion of our cooperation? Thank you very much.



President Andris Berzins: I think that the Latvian side has a strong interest in the business forum. The forum will bring together more than 80 business people from Latvia. They represent the business community and various sectors of the economy. This means that they will meet with their Azerbaijani colleagues both at the plenary session and in private meetings.

The President of Azerbaijan and I have spoken about that and noted that this is a very important basis for economic cooperation. We have reached a level when local business communities have already achieved their goals. In other words, our companies are already established in the Baltic region. This means that we have turned our attention to other markets. We have a number of directions. We have the experience that has been accumulated over 22 years and we can share it. It is the experience of these companies. I think it would be good if we could step up the business exchange between our two countries.

As for other issues, including the transport sector, Latvia is interested in any transit area, in particular air cargo transportation. I believe that cooperation between our countries in this area can develop very well. We also have very good opportunities in the field of air transport and its coordination. We can coordinate our efforts in this area. As for energy projects, we are already at a level when we can talk about alternative sources of supply. Here we have

exchanged our wishes and views. Naturally, it is in the interests of both Latvia and the Baltic region. In short, the exchange of information is quite useful. We have come to the conclusion that there will be positive development in this area.

We can also talk about real projects. For example, we may share our experiences in the field of agriculture. Thank you very much.



On the same day, Latvian President Andris Berzins visited the Heydar Aliyev Foundation. President of the Republic of Azerbaijan Ilham Aliyev informed the distinguished guest about the objectives and activities of the Foundation which has been established in memory of the nationwide leader of the Azerbaijani people, Heydar Aliyev.

It was indicated that the Foundation was established to study and promote the rich heritage of the nationwide leader by implementing various socioeconomic and humanitarian projects, facilitating the progress of Azerbaijan, developing its culture and studying its history.

President of the Republic of Latvia Andris Berzins reviewed the photos from the great leader's archive which document different periods of his activities, as well as various exhibits.

During familiarization with the Foundation, the Latvian President was informed that the period of the great leader's presidency was one of the most glorious pages in the history of Azerbaijan. The socioeconomic development, which is viewed by the international community as a major achievement of our country, as well as the achievements being made, are products of the nationwide leader's activities.

The distinguished guest examined numerous documents covering most different aspects of the phenomenal personality's life and creating a broad impression about a whole period in the history of Azerbaijan. The guest also reviewed the presents made to the great leader by renowned politicians of the world, statements by influential scientists, culture figures and artists about the founder of the independent Azerbaijani state. The President of Latvia also reviewed the photos taken during Heydar Aliyev's meetings with leaders of foreign countries. After familiarization with the Foundation, President of the Republic of Latvia Andris Berzins left a note in the Book of Distinguished Guests.

The Latvian President was presented with a gift from the Foundation.

Familiarization with the Heydar Aliyev Foundation produced an indelible impression on the distinguished guest.

The Latvian-Azerbaijani business forum held at the Baku Business Center has been attended by President Ilham Aliyev and President of the Republic of Latvia Andris Berzins.

The participants of the forum warmly welcomed the Presidents of Azerbaijan and Latvia.

Addressing the forum, President of the Republic of Azerbaijan Ilham Aliyev said:

- Dear Mr. President, Dear ladies and gentlemen, Distinguished guests!

I would like to welcome you to Azerbaijan once again. Today Mr. President and I had a very good meeting. We discussed many important issues concerning bilateral relations. Of course, one of the most important issues we discussed was the economic agenda. We have made good progress and success. If we look at the percentage growth in the turnover, we can see that there is progress. But if we look at the actual figures, we can't be content with them.

We have had meetings regarding business in the past too. The economic activity and cooperation between our two countries and companies have been possible mainly due to such meetings. I believe that this forum is quite special. I am informed that important agreements and memorandums have been signed and new areas of cooperation are likely to have been identified.

The Azerbaijani side must have informed the business community of Latvia about the country's ongoing economic development. Nevertheless, I would like to say a few words about what we are proud of and our future plans. We have achieved very rapid economic growth. And this is mainly due to the discovery and development of major oil and gas fields. This has enabled us to accumulate funds and channel them into the areas we want to develop. This mainly includes human resources, education, social programs and infrastructure.

The diversification of the Azerbaijani economy is our objective number one. I believe that we are moving in the right direction because our dependence on the energy sector is reducing year by year. And this is also our primary goal because we intend to build a sustainable economy that does not depend on the oil price.



If you look at the results of the first quarter of 2013, you will see that growth in the non-oil sector accounted for more than 11 per cent. This is the result of reforms and our policy towards economic diversification. When you talk about diversification in Europe, people mainly think about the diversification of energy supply routes. And this is quite understandable. For us, diversity means developing the opportunities in the export of energy and non-energy economy. Therefore, our future plans are

associated with the attraction of investment to the areas we consider strategic.

For example, in the mid-1990s we managed to attract investment to the oil and gas sector, because a favorable investment climate had emerged at the time. This essentially contributed to our economic development. At present, we already have our own cooperation mechanisms with foreign companies. The Azerbaijan Investment Company is involved in several strategic projects as a co-investor. We keep on improving our domestic laws on foreign investment and its protection.

I can tell you that in terms of direct foreign investment per capita Azerbaijan has been the leading country in the CIS and Central Europe for many years. Whereas in previous years

we mainly talked about oil and gas investment, now we observe investment in other economic spheres. These include services, agriculture and other sectors. All this will create opportunities for a successful development in the coming years. Of course, the energy sector of the economy will continue to be in top position.



This is absolutely clear, because if we take into account the huge reserves of oil and natural gas, the diversified supply routes and energy resources – I mainly mean natural gas now – and our new plans related to the supply of vast resources to European consumers, this will create additional opportunities for energy companies. But our non-oil economy will grow in parallel. In order to encourage business activity, a State Program is being implemented. Most

of the infrastructure projects in Azerbaijani districts have either been completed or are in the final stages. We have adopted two programs on the development of our districts, and both cover a five-year period. The second program is to be completed at the end of this year. In the coming years, we will pay more attention to the development of sectors such as information and communication technologies, services, tourism and industry. The guests must have been informed about our special plans on the establishment of industrial zones. These plans are being implemented. As a result, we will create rules that will provide many benefits in the field of heavy industry and new export opportunities due to preferential tax regulations.

This will enable us to increase our export opportunities and achieve the diversification of exports, because most of our exports are related to energy now. At the same time, we are implementing plans on increasing domestic production. Thanks to a facility such as the fund to encourage the private sector, farmers, small and medium-sized enterprises are receiving financial assistance.

I think that the overall economic development of Azerbaijan in the coming years will be successful. This is acknowledged by international financial institutions. For example, the World Bank's Doing Business report says that Azerbaijan has made good progress. The World Economic Forum has put Azerbaijan in 46th place in the world in terms of economic competitiveness. In the years of the financial crisis, the rating agencies Standard & Poor's, Fitch and Moody's upgraded our credit rating. I believe that the future cooperation between our companies in different directions can produce good results. Azerbaijan is currently investing a lot in other countries. We are making investing a lot in Europe, and this process will be continued.

Of course, projects in your country may be very attractive for us. We can identify the areas of interest more accurately. The Latvian companies represented here can participate in various projects we are implementing as contractors. In addition, I think that joint production capacities can be used both in Azerbaijan and Latvia, as we have extensive mutual interests. I am very glad that you, Mr. President, are accompanied by numerous Latvian business people. This is evidence of this interest.



We also have a similar interest in your country. There are excellent political relations. We are partners in many areas. As we noted together with Mr. President today, there are no outstanding issues in our relations. Azerbaijan also actively cooperates with the organizations of which Latvia is a member. This also strengthens our bilateral relations. I think that this business forum can produce excellent results. There is a mutual interest and political support, there is an intergovernmental commission. Of course, the activities of our business circles will give very positive results. Thus, we can draw on this in the future and establish a strong economic partnership between our two countries for the benefit of our peoples.

Mr. President and distinguished guests, I would like to welcome you to our country. I wish you a successful visit and all the best. Thank you.

Addressing the forum, President of the Republic of Latvia Andris Berzins said:

- Dear Mr. President, Ladies and gentlemen!

Thank you very much, Mr. President. You have practically covered all the topics. I would like to simply highlight a few issues. This is my first visit to your country. I had some information, but the reality has considerably exceeded my expectations. I was very pleased to see the road of independence you have covered in 22 years.

We have visited a number of places here and have seen that we had a lot in common in the past. Our nations had very close relations. At the same time, when it comes to business, we are not in competition with each other. In fact, our business sphere has areas that are completely different from each other. At the same time, the experience we have acquired is also very different. Over the course of 22 years Latvia has gained a lot too. Discussions have been held with the European Union on the application of new rules. But I think that this is also a very positive experience. This is an area where we can get mutual benefit. With regard to business activities, our two countries have achieved certain stability, accumulated the necessary local and international experience.

Latvia is a small country and we must become partners relying on each other. This is a perfect foundation for progress.

Of course, in the coming years we will be focused on the fields of science, education and private enterprise. Education will also be one of our exported products.

We are strong in different industrial sectors. We can succeed by joining our efforts. This is how our future business relations can be expanded. Health care and social services are very large fields. Although these areas are not directly related to business, they are very important for the future of our countries. This morning we had discussions which were held in a very friendly and very open atmosphere. I am absolutely convinced that both sides have agreed to provide the necessary support for our companies in our countries. Such a foundation is necessary for both sides. This, in fact, is the second step of our business community aimed at strengthening the business relations with you over a short period of time.

I am absolutely sure that we will have excellent results in several years – as excellent as the successes of your construction industry. Thank you.

After the forum, President of Azerbaijan Ilham Aliyev and President of Latvia Andris Berzins

went for a walk in the Seaside National Park and enjoyed the panoramic views of the city.

The President of Latvia was provided with detailed information about the landscaping and creative work carried out in the capital of Azerbaijan and the rapid growth of country in recent years.

On the same day, President Ilham Aliyev has hosted an official reception in honor of President of the Republic of Latvia Andris Berzins.

In remarks at the reception, President Ilham Aliyev said:

- Dear Mr. President. Distinguished guests, ladies and gentlemen!

First of all, Mr. President, let me warmly welcome you and the delegation you are heading to Azerbaijan – you are welcome!



This is your first official visit to our country. I have visited Latvia twice. I am pleased to recall that in the last eight years five visits at the level of heads of state have been paid. This in itself is an indication of our attitude to bilateral relations. I am confident that reciprocal visits will give an impetus to the further development and expansion of cooperation between Latvia and Azerbaijan in the bilateral and multilateral formats and within European institutions.

There are ample opportunities for the development of cooperation between Azerbaijan and Latvia in different areas. Although our economic relations are developing fast, they do not fully meet the potential of our countries. Over the past five years our turnover has increased almost three times. Six business forums with the participation of companies and business people from the two countries have been held over the course of several years. In 2006, Azerbaijan and Latvia set up an intergovernmental commission. I believe that we must continue to pursue efforts to raise our cooperation to a higher level.

I am sure that the fruitful talks on bilateral relations we have held during the visit, the agreements reached and the business forum conducted will contribute to the further development of our relations.

The relations between Azerbaijan and Latvia have historical roots. In the early 20th century there was a Latvian society in Baku. It had about a hundred well-known members. This society included celebrated Latvian writers Ernest Birznieks-Upitis, Pavils Rozitis, Janis Vaynovskis, Augusts Bertse, artist and writer Janis Yaunsudrabinsh, diplomat Antons Balodis, conductor of the Baku Opera House and the brilliant Latvian composer Jazeps Medins, architect Ervins Paumbats and others. We regard the revitalization of the society in Baku in March 2013 as a continuation of this tradition. Azerbaijan actively cooperates with Latvia within the framework of international and regional organizations.

The relations with the European Union and Euro-Atlantic structures hold an important place in Azerbaijan's foreign policy. A member of the European Union and NATO, Latvia is one of the countries that give importance to Azerbaijan's cooperation with these organizations.

Also fruitful is our cooperation within the framework of the “Eastern Partnership” program. Cooperation in the energy sector is one of the main directions of our relations with the European Union.

Azerbaijan has proved to be a reliable partner in this regard. Azerbaijan, which has become the main economic center of the region, is ready to carry on contributing to the energy security of European countries.

Azerbaijan is in favor of security, stability, development and cooperation in the region. But the most painful problem of the region - the Armenian-Azerbaijani Nagorno-Karabakh conflict - remains unresolved. As a result of Armenia’s military aggression, 20 per cent of Azerbaijani territory, our historical lands of Nagorno-Karabakh and seven adjacent districts, have been occupied. A policy of ethnic cleansing has been carried out on these lands. All human rights of more than a million citizens have been grossly violated and these people have found themselves in the situation of refugees and IDPs.

The international community and international organizations recognize the territorial integrity of Azerbaijan and advocate a just settlement of the conflict in accordance with international law. There are four UN Security Council resolutions in relation to the conflict, decisions and resolutions of the OSCE, the European Parliament, the Council of Europe, NATO and other international organizations. Our unequivocal position is that the conflict must be resolved in accordance with international law and the territorial integrity of Azerbaijan.

Dear Mr. President, let me express my pleasure in receiving you in Baku. I wish you good health, and your country and people permanent prosperity.

In remarks at the reception, President of the Republic of Latvia Andris Berzins said:

- Dear Mr. President, Your Excellency! Ladies and gentlemen!

I am very happy to be a guest in Azerbaijan, which has close and friendly ties with Latvia.



Let me express my gratitude for the warmth and hospitality extended to the Latvian delegation in your beautiful country. In the first months of next year, we will celebrate the 20th anniversary of the establishment of diplomatic relations between Latvia and Azerbaijan. Looking back, we are pleased to see that over the years we have conducted fruitful meetings not only at the presidential level, but also between representatives of different spheres and entrepreneurs.

Such meetings are a clear indication that the Latvian side appreciates the cooperation with Azerbaijan. I want to express my hope that members of the Latvian delegation, the ministers of foreign affairs, transport, health, agriculture, as well as representatives of other ministries, will achieve improvement of the institutional framework in their talks with Azerbaijani colleagues and succeed in implementing specific projects in the future. At the same time, we look forward to broader activities of our business people.

Given the recent crisis, as well as the changes in the global economic landscape, the improvement of the business activities, the investment environment and the diversification of the export market are priority issues for Latvia. This is further confirmed by the fact that on this visit I am accompanied by a large delegation of business people and that we have conducted the Latvian-Azerbaijani business forum. I am confident that private meetings, specific proposals and new ideas will help attract mutual investment and expand the scope of economic cooperation. The geographical location of the two countries, the development of transport and logistics, in particular in the aviation industry, are already evidence of serious collaboration. Taking this opportunity, I would like to draw your attention to the fact that a trade corridor will be established in the near future. In addition, I hope that mutually beneficial projects in the field of information technology, agriculture, food production, etc. will also emerge soon.

Mr. President, Azerbaijan plays an important role in ensuring regional stability. As a member of the European Union and NATO, Latvia appreciates Azerbaijan's cooperation with these organizations.

Our common historical experience, the path of reform Latvia follows and Azerbaijan's geopolitical experience contribute to the development of our relations in a wider format. But the successful bilateral cooperation is underpinned not only by the political dialogue and economic interests, but also by mutual sympathy and interests of our peoples. It is therefore very encouraging that cooperation between higher education institutions is developing and student exchange programs are implemented. All of this contributes to improving the quality of education and intercultural understanding, which, in turn, paves the way for the implementation of cooperation projects in the future.

At the same time, I am pleased to welcome the revived Baku Latvian society. I would wish the society dynamic development. I would like to see this society inspired by the history of uniting more than a hundred active Latvians in the early 20th century. At the same time, Latvia is home to more than 2,000 Azerbaijanis, whose work in the field of economy and culture is highly valued in our country. Azerbaijanis, and indeed all other people who have chosen Latvia as a place of residence, are worthily represented on the Council for National Minorities where we discuss common issues for the state and the people.

In conclusion, I invite all of you to Riga in 2014. The capital of Latvia will acquire the title of capital of European culture. Entertainment and cultural events will be conducted throughout the year. Most importantly, we will take care of our foreign guests. Thank you very much.

MEETING WITH PARTICIPANTS OF THE BAKU CONFERENCE OF MINISTERS OF LABOR OF THE ORGANIZATION OF ISLAMIC COOPERATION

25 April 2013, Baku

On 25 April 2013, President of the Republic of Azerbaijan Ilham Aliyev received participants of the Baku Conference of Ministers of Labor of the Organization of Islamic Cooperation.

Welcoming the guests, President Ilham Aliyev said:

- Dear guests, heads of delegations.



I warmly welcome all of you to Azerbaijan. You are welcome! I salute all the guests who have come to Azerbaijan to attend a conference of the Organization of Islamic Cooperation. I am very pleased that the Conference of the Ministers of Labor of the Organization of Islamic Cooperation is being held in Baku. I am confident that this conference will produce very good results. I would also like to note that this is the fifth conference of the Organization

of Islamic Cooperation at the level of ministers to be held in Baku in the past few years. Prior to that, Azerbaijan has hosted conferences of Ministers of Foreign Affairs, Education, Culture and Tourism. This in itself is quite significant and indicates that Azerbaijan is not only an active member of the Organization of Islamic Cooperation, but also an organizer of very respectable events. I also want to note that Baku was declared the "Capital of Islamic Culture" in 2009. This was a sign of great respect. The city of Baku carries this prestigious title with great honor.

The issues being discussed are very important for every country, including Azerbaijan. I know that one of the topics on the agenda is the elimination of unemployment and poverty reduction. These issues are closely related to each other. I can say that a lot has been done in Azerbaijan in recent years to address these issues.

One of our biggest successes in the last 10 years is that the poverty rate had dropped from 50 to 6 per cent, while level of unemployment to 5.2 per cent.

This shows that the progress and development observed in Azerbaijan in recent years have had a direct positive impact on the welfare of the people. Azerbaijan is implementing large-scale projects to address infrastructure issues in the social sphere. The implementation of these projects certainly leads to positive results. Our future plans are very clear and open. I am sure that Azerbaijan will join the ranks of developed countries in the future. There are all the possibilities to do that.



As I said, we are an active member of the Organization of Islamic Cooperation. I believe that the establishment in Baku of the Centre of Labor of the Organization of Islamic Cooperation may also be appropriate. I believe that the reforms aimed at eliminating unemployment conducted in Azerbaijan in recent years and the experience we have accumulated may be of interest. At the same time, the establishment of a structure of the Organization of Islamic Cooperation in Baku could further strengthen our unity.

By and large, I can say that Azerbaijan is playing a role in the development of Islamic solidarity. In 2011, Azerbaijan was overwhelmingly elected as a member of the UN Security Council – the top organization in the world. A total of 155 countries supported our candidacy, and the support of Muslim countries was particularly meaningful. We were fully confident that we would get the support of fraternal countries, and we got it. We are now into a second year of membership in the Security Council, representing not only ourselves, but also, I think, the entire Muslim world. Other steps have been taken as well. I believe that these steps have made a great contribution to the unity of the Muslim world.

We will continue to provide this support.

At the same time, I want to express my gratitude to all the Muslim countries that have supported our fair cause. The vast majority of Muslim countries stands by us in the settlement of the Armenian-Azerbaijani Nagorno-Karabakh conflict, actively supports us and supports justice. There are still quite many of our compatriots who have been affected by the Armenian aggression. Armenia has conducted a policy of ethnic cleansing against Azerbaijan. The Azerbaijanis have been evicted from their historical and ancestral lands. All of our historical and religious monuments and mosques have been destroyed by the Armenians. There is plenty of evidence, documents, video footage and photographs confirming these atrocities.

The Armenians have committed an act of genocide against the Azerbaijanis. In February 1992, they perpetrated the Khojaly genocide, as 613 people, including more than 100 women and 63 children, became victims of genocide committed by the Armenians. It was unprecedented brutality, a manifestation of Armenian fascism.

International law is on our side. The UN Security Council has adopted four resolutions on an unconditional withdrawal of Armenian troops from the occupied lands. But, unfortunately, these resolutions remain unfulfilled. The Organization of Islamic Cooperation, the European Parliament, the Council of Europe and other organizations have adopted resolutions and decisions on the restoration of the territorial integrity of Azerbaijan. But the issue remains unresolved. Twenty per cent of our lands are under occupation and more than a million Azerbaijanis are still suffering from this occupation.

I want to express my appreciation to all the fraternal countries again for supporting us. Dear guests, I wish the conference every success. Please convey my greetings to the heads of state and government of the countries you represent.

Saudi Arabia's Deputy Minister of Labour Mofarrej al-Haqbani said that he was witnessing rapid development of Azerbaijan, which is exemplary for other countries. He said that the Baku Conference of Ministers of Labor of the Organization of Islamic Cooperation was of great importance in terms of cooperation. Mofarrej al-Haqbani said:

- Dear Mr. President, on behalf of my colleagues participating in the Second Meeting of

Labor Ministers of the Organization of Islamic Cooperation I would like thank you and the Azerbaijani side for the excellent organization of this conference. We express our deep gratitude to you for receiving us in your beautiful country and for you warm hospitality.

Azerbaijan, of course, is the jewel of Asia and the Caucasus, and the successes achieved in all areas of life in your country serve as an example for other countries. Of course, all these achievements are based on your hard work, Your Excellency. While in Azerbaijan, we feel very much at home.

At the same time, I want to express my deep gratitude to the people of Azerbaijan. The Azerbaijani people are a very tolerant people. They are a model of tolerance. We feel at home here, among our friends and brothers. Once again, we express our deep appreciation and gratitude for the excellent organization. At the same time, on behalf of the Kingdom of Saudi Arabia and all Muslim countries, I want to reiterate that we will always provide full support to Azerbaijan, we will always support Azerbaijan in the Nagorno-Karabakh conflict.

It is an honor for me to convey to you greetings on behalf of the officials of Saudi Arabia, the King of Saudi Arabia. Thank you very much.

Speaking next was the Minister of Labor and Social Protection of Turkey, Faruk Celik, who said that the conference would contribute to a further expansion of cooperation. He noted that the topics of elimination of unemployment and poverty discussed at the conference were among the issues of concern to the whole world. The successful measures taken in Azerbaijan in this field are welcomed, he said. Stressing that the developments ongoing in Azerbaijan made a great impression on him, Faruk Celik said:

- First of all, I consider it my duty to convey to you greetings on behalf of our esteemed President Abdullah Gul and Prime Minister Recep Tayyip Erdogan. We, the Ministers of Labor of the Organization of Islamic Cooperation, are gathered in Baku for the second time. On behalf of all my colleagues I thank for the excellent organization of the conference.

Issues of employment and business life are of interest to the whole world. It is impossible for a country to remain indifferent to issues such as unemployment and other areas of business life. At the same time, all nations of the world are interested in the negative trends. In this sense, we also meet as ministers of G-20. I believe that this conference and its results, the decisions adopted in Baku will make our agenda even more clear.

Mr. President, before concluding my remarks I want to say that I often come to Baku. I was here six months ago, and I can see the positive changes in the development of Baku and Azerbaijan as a whole. We have the opportunity to see this development firsthand, and I want to say that we are very pleased to see it. I don't know how often my colleagues and other ministers come to Baku, but I want to say that I see comprehensive and dynamic changes that have taken place over a very short time. All this is the result of your successful leadership.

Of course, every country, every Muslim country has problems. We share the sorrows and joys of each other.

I want to note that whatever saddens you also gives sorrow to us, and everything that pleases you brings joy to us as well. Thank you again for this warm welcome, I express my respect.

Expressing her satisfaction with the visit to Azerbaijan, the Minister of Social Affairs and Labor of the State of Kuwait, Thikra Ayedal-Rashidi, said that she was deeply impressed with the development ongoing in the country. The minister said that Azerbaijan was developing at a rapid pace in recent years, which is received very well in the friendly State of Kuwait. Congratulating President Ilham Aliyev on the successes achieved by Azerbaijan in the international arena in recent years, Thikra Ayedal-Rashidi said:

- Dear Mr. President, thank you for receiving us. Of course, we and I personally am very satisfied with the visit to Azerbaijan. The beauty of Azerbaijan, the development of your country and the warm hospitality impressed us very much. We are very happy with the development of Azerbaijan in all spheres. We are very pleased.

The State of Kuwait led by Emir attaches great importance to the event being held in Azerbaijan, therefore we are participating in this event at a high level today. At the same time, on behalf of the State of Kuwait I would like to reiterate that we have always supported and will continue to support Azerbaijan in all the spheres.

As for Azerbaijan, your country is an active member of many international organizations and plays a very important part in addressing the problems faced by the Muslim world.

Mr. President, I once again congratulate you on the successes achieved by your country. They have been achieved thanks to you. Thank you very much, Mr. President.

The Palestinian Minister of Labor, Ahmed Majdalani, said that the conference taking place in Baku attracts attention with the relevance of the topics being discussed. He noted that the event would play an important part in the elimination of unemployment in Muslim countries and consolidate the efforts in this area. Ahmed Majdalani stressed that Azerbaijan's successes in terms of the economic development had been achieved thanks to the consistent policies pursued by President Ilham Aliyev. Thanking the people of Azerbaijan for the support of Palestine, the minister said:

- Dear Mr. President, we express our deep gratitude to you for receiving us. First of all, it is an honor for me to convey to you the greetings of your brother, Palestinian President Mahmoud Abbas, and the Palestinian Prime Minister. I would like to convey to you their gratitude for the fact that Azerbaijan has always stood by the people of Palestine and always supported the Palestinian people. Of course, we express our gratitude to you for your support during the vote which took place in the UN Security Council in November last year.

In June, Azerbaijan will also host a conference of donor countries. This is a very important conference. We want to express our gratitude to the Azerbaijani side in advance for the organization of that conference. The Minister of Foreign Affairs of the Republic of Azerbaijan has recently paid a visit to Palestine. During this visit political consultations between the two countries were held. The prospects for the development of fraternal and friendly relations between the two countries were also discussed. Taking this opportunity, I want to congratulate you on all the successes achieved by your country both in the economic and social spheres. All of these successes have been achieved thanks to you.

The second meeting of Labor Ministers of Muslim countries taking place now is of great importance. The elimination of unemployment in Muslim countries is hugely important for the solution of many other problems. We believe that double standards applied by some

countries should always be condemned. I would like to note that in many cases Azerbaijan also faces double standards - the lands of Azerbaijan have also been subjected to occupation. We want this problem to be resolved as soon as possible. Thank you very much again.

In conclusion, wishing the conference every success, President Ilham Aliyev said:

- Thank you very much. First of all, thank you for your kind words about our country and the work ongoing in Azerbaijan. I am sure that you will have the opportunity to see Baku more closely. At the same time, I should note that the ideas you have expressed will further solidify our organization because it is underpinned by unity and close cooperation in the Muslim world.

Of course, mutual political support should be in the foreground. Azerbaijan is doing everything possible to ensure that cooperation between all Muslim countries is at the highest level.

For its part, our country will continue to contribute to this cause. At the same time, in order to strengthen our unity it is necessary to step up economic ties. A role in addressing this issue is played by relevant agencies, ministries and joint committees. Of course, the contacts established at the ministerial level, the collaboration and cooperation will multiply our strength.

As far as economic cooperation is concerned, we may envisage the implementation of investment projects. The exchange of experience and the increase of the trade turnover will also, I am sure, further strengthen our unity. We have to strengthen this unity in various ways.

As I said, political support should be in the foreground. We always support each other in international organizations. We have to demonstrate our united stance with regard to double standards. By deepening economic cooperation, we can easily resolve the existing problems in our countries – unemployment and poverty. Therefore, mutual support means both political and economic support. At the same time, I believe that the most painful problem for all of us is the growing trend of Islamophobia in some countries, the formation of negative attitudes towards Islam. I can say with full confidence that this attitude is formed intentionally. Major campaigns are held to present Islam in a negative light. We, for our part, should give these campaigns a tangible response.

Over the past years, the Organization of Islamic Cooperation has become an organization enjoying great respect in the world. In Muslim countries, the issues of education, health and social issues must be addressed even more quickly.

Economic cooperation is in the foreground here, because our countries can achieve even greater success.

I salute you once again and wish you all the best.

THE FIRST SOUTH CAUCASUS FORUM

7 May 2013, Baku



On 7 May 2013, the First South Caucasus Forum, organized jointly by the Club of Madrid and the International Center of Nizami Ganjavi, was held in Baku.

President Ilham Aliyev and his wife Mehriban Aliyeva attended the opening ceremony. The First South Caucasus Forum was opened by the Cochairman of the Board of the International Center of Nizami Ganjavi and the Director of the Library of Alexandria of Egypt, Ismail Serageldin. Informing the participants

about the issues to be discussed, he said.

- We are gathered here with one aim today - to participate in the First South Caucasus Forum on the subject of "Joint societies".

I want to indicate that the forum will discuss issues such as a clash of civilizations, shared values and norms that govern our societies. In fact, questions may be asked on any topic. People discuss issues relating to cultural differences between them, gender equality, formation of a sustainable society in the future, etc.



The forum is attended by leaders, presidents, prime ministers from practically all over the world. These people lived and led their countries in a period of transition, and have come to this forum to share their experience with us. Of course, they will express their opinion within the framework of the forum.

The host of the forum is His Excellency President of the Republic of Azerbaijan, Dr. Ilham Aliyev. We give him the floor.

President of the Republic of Azerbaijan Ilham Aliyev addressed the forum.

Speech by President of the Republic of Azerbaijan Ilham Aliyev

- Dear ladies and gentlemen! Distinguished guests!

I would like to welcome all of you to our country. It is a great honor for us to host such an important event. I am very grateful to the organizers for choosing Baku as a venue for the discussion of issues of regional development, reforms and regional cooperation.

From the point of view of independence, Azerbaijan is a relatively young country. Our country is only 21 years old as an independent state. Azerbaijan is a country with a long history, customs, traditions and culture.

One of the organizers of the forum is the International Center of Nizami Ganjavi. It bears

the name of brilliant Azerbaijani poet Nizami. Yesterday I had meetings with a number of guests. Some of them have come to our country for the first time. I think it would be interesting for them to get acquainted with our country. There are some of our old friends among the participants. I want to express my deep gratitude to the Club of Madrid for conducting this forum in Baku.

Azerbaijan is a young independent nation. But at the dawn of the 20th century, we had a short history of statehood. At that time Azerbaijan gained independence after the fall of the Russian Empire. It was in Azerbaijan that the first democratic republic in the Muslim world was established. The first democratic republic existed from 1918 to 1920. Although it was a short period, many reforms were implemented. They set the stage for the development of the modern and independent Azerbaijan. One of those reforms was the provision of women with the right to elect and to be elected. It also demonstrated the level of development of Azerbaijani society. Then the Soviet period set in. At that time we were not independent. The people of Azerbaijan lived in the Soviet Union for 70 years. After the collapse of the Soviet Union we got the second chance to create a state. And we had no right to waste that chance.

The first years of independence, 1991-1993, were accompanied by violence, economic stagnation, crisis, Armenia's military aggression against Azerbaijan, which has become a real tragedy for our people, and civil strife.



Despite the fact that we have overcome many of the difficulties of that period and the period of transition is over for our country, the unresolved status of the conflict between Armenia and Azerbaijan poses the biggest threat not only to us but also to regional development, peace and stability. We are interested in a speedy settlement of the conflict based on the norms and principles of international law. We want to restore the internationally recognized territorial integrity of our country. Nagorno-Karabakh is an integral part of Azerbaijan, it is ancient Azerbaijani land. Not only Nagorno-Karabakh but also seven adjacent districts have been under Armenian occupation for over 20 years. This occupation has lasted for more than two decades. International organizations have adopted resolutions and decisions demanding a withdrawal of the occupying forces. Among them, I want to mention four UN Security Council resolutions calling for an immediate and unconditional withdrawal of Armenian troops from Azerbaijani territories. Unfortunately, these resolutions are not being fulfilled. Here we come to an important point - the effectiveness of international organizations and resolutions.

Unfortunately, UN Security Council resolutions have remained unfulfilled for more than 20 years.

We will continue to strengthen our country, keep on implementing political and economic reforms. The stronger we are, the sooner we can resolve the conflict. Then peace may be established in the region. Speaking about the South Caucasus today, we can say that there is a fine example of cooperation between Georgia and Azerbaijan. But with the other country of the South Caucasus we have very negative relations. Therefore, in order to ensure

sustainable development of the region, the South Caucasus, of course, needs to be more integrated. Without the settlement of the Nagorno-Karabakh conflict and the liberation of the internationally recognized territory of Azerbaijan this is impossible.

Despite this difficulty and the damage caused as a result of the Armenian aggression, we remain committed to goals such as the building of a strong country and improving the well-being of the people. In short, since the mid-1990s, we have been focused on political and economic reforms. This process is ongoing. From a political point of view, Azerbaijan is developing because we did not have any political system before the independence. Now we have all the political institutions and we are a member of the international community. We are carrying out political reforms and further democratization of our society is our main priority.

We are absolutely convinced that we must simultaneously carry out political and economic reforms. To be able to achieve long-term development, these reforms should complement each other. With regard to economic reforms, we have made great progress in the years of independence. In the last 10 years alone our gross domestic product grew by 300 per cent. I think this is a world record. At the same time, we have managed to reduce poverty from 50 to 6 per cent.

We have reduced unemployment to 5 per cent. More than a million jobs have been created in Azerbaijan. In addition, we are diversifying our economy. Azerbaijan's economic achievements have not gone out of the spotlight of the international financial institutions. The assessments of the major international financial institutions are very positive. Even in the years of the financial crisis the international rating agencies such as Fitch, Standard and Poor's and Moody's upgraded the credit rating of Azerbaijan. The Davos Economic Forum has put Azerbaijan in 46th place in the Global Competitiveness Index. This is the result of the reforms. We have managed to implement major economic reforms and, as I said, the period of transition in terms of economic development is over. Currently, the private sector accounts for 83 per cent of our economy. The private sector is very strong, and from an economic point of view the future development of Azerbaijan looks very attractive.

Currently, we are focusing our attention on the non-energy sector. As I said, economic diversification is our top priority. I can say with great satisfaction that the first three months of this year have registered unprecedented growth in the non-energy sector. This growth has exceeded 11 per cent. This means that the investment we have attracted from the outside and from domestic sources is aimed at diversifying the economy. Without diversification we can't succeed. We are investing heavily in modern technology. An important event has occurred this year. Azerbaijan launched its first satellite Azerspace-1 into orbit. This marks the start of a space industry in Azerbaijan. Azerspace-1 means that there will be Azerspace-2, Azerspace-3 and others. We are working with our international partners to create a strong aerospace industry in Azerbaijan. The energy sector is still an important sector of our economy. And it is natural. Over the years and decades, Azerbaijan was known as an oil country. Now Azerbaijan is also known as a gas producing country. The investment in the energy sector has enabled us to create a very positive investment landscape in Azerbaijan. Azerbaijan has the highest indicator in the region for the volume of foreign investments per capita.

The companies investing in Azerbaijan enjoy favorable treatment. In general, the investment environment is very positive.

I think that we have used the income from energy production correctly, so that not to

experience the difficulties faced by some countries after the start of work in the energy sector. We set up such an important mechanism for managing funds as the State Oil Fund of Azerbaijan. This is one of the most transparent structures among similar sovereign funds around the world. Thus, we are insured against a situation whereby the rich become even richer and the poor get even poorer. Therefore, the reduction of poverty and unemployment was set as the primary goal.

Equitable distribution of wealth, investments in the infrastructure and human capital, mainly the field of education, are very important. Education is the key to success. The history and experience of successful countries show that development is caused not by energy resources but by the intellectual potential. In the coming years, the intellectual potential will play an increasingly important role in all political and economic development matters. The role of countries on the global map will depend more on the intellectual capacity of people. Therefore, we are investing a lot in human capital. Ten years ago we said that we would transform the "black gold" into "human gold", i.e. the human capital. The diversification of the economy, the implementation of social and infrastructure projects we have undertaken in Azerbaijan show that we have a good experience with regard to the transition period. So we have a good experience of transition from a totalitarian to a democratic society, from a planned economy of the state to a free market economy. This did not lead to difficulties for the ordinary people. After all, radical reforms always create problems for ordinary people. Therefore, we have implemented a very effective social policy.

Today, Azerbaijan is a country possessing great financial strength, diversified supply routes and a modern infrastructure, and relying completely on its own forces. The crisis has not had a big impact on us. Of course, the energy factor will play a role in helping us achieve greater development in the future. At the present time, I can say that Azerbaijan's energy resources play an important role in the regional cooperation. As a matter of fact, Azerbaijan was the first country in the world to produce oil. In addition, Azerbaijan was the first country in the world to produce oil offshore. Azerbaijan is also the first country to have attracted foreign companies and investment to the Caspian Sea, making it open to international petroleum operations. Azerbaijan built the first pipelines from the Caspian Sea together with its partners. Pipelines have been built to Georgia and Turkey. This has completely changed the energy map not only of the South Caucasus but also of the wider region. Today, in order to realize our vast energy potential which will last for more than 100 years, we are working hard with our friends and partners, in particular with European institutions, and, of course, with our neighbors, in the field of energy security. The recently launched Trans-Anatolian pipeline project means genuine reform in the energy sector. It will provide us with the opportunity to transport as much as we produce. Transit and consumer countries will be able to benefit from that and will have diversified sources of supply. Therefore, diversification in producing and consumer countries is one of the primary conditions for success.

We have created a very effective format for regional cooperation and seek to balance the interests of producer, transit and consumers countries. We seek to prevent irrelevant competition. Our energy policy is not based on competition, but on cooperation, on a situation that benefits everyone.

I believe that the history of the last decade demonstrates that this approach is very effective. Therefore, I think that the use of this potential, as well as our development programs and a very active foreign policy, will determine the successful development of Azerbaijan in the coming years.

Our guests today include well-known politicians and statesmen. They have played and will continue to play an important role in international relations. I would like to say a few words about that. We have a very active foreign policy. Azerbaijan's foreign policy is even more active than we expected. The results of this activity are explained by the fact that we play an important role in international organizations. We are one of a handful of countries of the world to be a member of both the Organization of Islamic Cooperation and the Council of Europe. Less than two years ago Azerbaijan was elected a member of the UN Security Council with the support of 155 countries. This was a very important event, which overlapped with the 20th anniversary of our independence. As a result of the work we have done in 20 years, we managed to get the support of 155 countries. And that epitomizes the role we play in the global arena. If we return to the issue of membership in international organizations, i.e. if we talk about our membership in the Council of Europe and the Organization of Islamic Cooperation, I would like to sum up my thoughts with the following idea. This is not due solely to the geographical format, but to our foreign political activity.

This is an issue which, among other things, boils down to the ancient history and the roots of our nation. For centuries, Azerbaijan was a place where religious and ethnic groups have coexisted in peace. Ethnic, cultural and religious diversity is one of the greatest treasures of Azerbaijan. I think that one of the basic preconditions of success is the fact that Azerbaijan has a multicultural society. We very much appreciate multiculturalism. This issue will probably be discussed during the session today. I just want to say on Azerbaijan's experience that multiculturalism has a great future and that it has no alternative. The alternative to multiculturalism is self-isolation, discrimination and racism. We can't afford to let these negative trends to raise their head in the 21st century. There are some issues that worry and disappoint us. But we need to act very explicitly in these issues. We need to be very open and clear. The dialogue between civilizations should not be just a good slogan. It means the need for human development, greater international cooperation, broader mutual understanding and tolerance. I think this is one of the key conditions for the development of humanity in peace.

Dear friends, dear guests! I would like to thank all of you again for coming to Azerbaijan. I hope that for those of you who have come here for the first time it will be an opportunity to become better acquainted with our country, while long-time friends will be able to meet with each other and continue cooperation.

I wish the forum success. Thank you.



Queen Noor of Jordan expressed her great satisfaction with her stay in Baku. Her Majesty Nur said she was impressed with the unique architectural monuments of Icherisheher (Old City) and the modern appearance of Baku. She described the capital of Azerbaijan as the "Paris of the East". It also said that Azerbaijan was an important place where different cultures converge.

Noting that she was well familiar with the works of Nizami Ganjavi, the distinguished guest said that "Khamsa" of the great poet was still relevant today. She stressed that the topics such as the role of women in society, a just ruler, hatred of war, the chanting of humanity, etc. in the poems of Nizami are still quite topical.



The former President of Latvia and the co-chairperson of the International Center of Nizami Ganjavi, Vaira Vike-Freiberga, spoke about the difficulties faced by formerly Soviet republics in building a democratic state. She noted that heads of state should step up their efforts to ensure that these countries get rid of the stereotyping of the past. "Every country and every nation has the moral right to be free," Vike-Freiberga said and added that the territorial integrity of countries is one of the major issues in the world today.

The guest said that some countries are faced with aggressive policies and that the UN should be more responsive to such issues and not be confined to sanctions alone. Vike-Freiberga expressed her gratitude to President Ilham Aliyev for the conditions created in Baku to discuss these important and global issues and for the genuine hospitality.

The former Prime Minister of the Netherlands and the President of the Club of Madrid, Wim Kok, said that the main goal of the club, which includes former leaders, is to promote democratic ideas. Wim Kok said that Azerbaijan has a special place in the South Caucasus and that it is home to peoples belonging to different cultures. In this context, he noted that the activities of the International Centre of Nizami Ganjavi should be welcomed. Expressing his confidence that the cooperation between the Club of Madrid and the International Center of Nizami Ganjavi would deepen further in the future, Wim Kok spoke about the need for continued consultations on what ideas would be implemented in the future.



Describing the forum as a relevant initiative, the guest expressed his gratitude to the Azerbaijani side again for the excellent organization of the event.

THE AZERBAIJAN – USA FORUM VISION FOR THE FUTURE

29 May 2013, Baku

On 29 May 2013, the Azerbaijan-USA forum "Vision for the Future" dedicated to the 21st anniversary of the establishment of partnership relations between Azerbaijan and the USA was opened at the Heydar Aliyev Center in Baku.

President Ilham Aliyev attended the opening ceremony. On arrival at the Heydar Aliyev Center, President Ilham Aliyev first met with US visitors. The head of state had a chat with the leading expert of the German Marshall Fund of the Transatlantic Academy (Germany), Chairman of the Foreign Relations Committee of the US Senate, Richard Lugar, Federal Congressmen Michael Turner and Ted Poe, US Secretary of Energy in 1998-2001, the former governor of New Mexico, the former US Ambassador to the UN and former member of the House of Representatives, Bill Richardson, as well as other members of Congress Gregory Meeks, Leonard Lance, Jim Bridenstine, Ruben Hinojosa, Steve Stockman, Michelle Grisham, Paul Wolfowitz and US Ambassador to Azerbaijan Richard Morningstar.

The host of the ceremony, the head of the working group for Azerbaijani-American inter-parliamentary relations, Samad Seyidov, said:

- Your Excellency Mr. Ilham Aliyev! Distinguished guests, senators, governors, ladies and gentlemen!

It is a great honor for me to welcome you here today. I express my deep gratitude to you for coming to Azerbaijan and participating in this event.

It has become a wonderful tradition for us to meet both in Azerbaijan and the USA to discuss very important issues. We discuss regional security, the development of the country, economic issues and other topics.

It is a special honor for us to see Mr. President at this event. His personal involvement and contribution to the organization of the forum have been instrumental in conducting this event at a fine level. At the same time, it has helped the cause of developing the beautiful Azerbaijan.

With your permission, I would like to give the floor to His Excellency President of the Republic of Azerbaijan.

President Ilham Aliyev made a speech at the forum

Speech by President of the Republic of Azerbaijan Ilham Aliyev

- Dear ladies and gentlemen! Distinguished guests! Dear forum participants!

First of all, I would like to welcome you to our country and express my deep gratitude for participating in this event.

I see a lot of our friends here. For many years we have been working together to strengthen

US-Azerbaijani relations. In addition, among our guests today there are influential politicians who have come to Azerbaijan for the first time. I am sure that your visit to Azerbaijan will be very successful and that we will have the opportunity to discuss a wide range of bilateral issues during this event.

I am confident that this forum will be an additional chance to discuss strategic cooperation between our two countries. The agenda is very broad and covers various areas. I am convinced that sincere and open discussions will contribute to mutual understanding, define new areas of cooperation and identify certain topics in the field of strategic cooperation.

US-Azerbaijani relations have a long history. Perhaps it is not very long, but it is a very important relationship. In the very first days of our independence we established a special cooperation which eventually evolved into a strategic partnership. Our political contacts and dialogue are at a very high level – they are very active. In various spheres - economy, trade, investments, etc. - US companies are among the biggest investors in Azerbaijan. These companies have facilitated a transition of the Azerbaijani economy from a planned to a market economy. We actively cooperate in energy security. We discuss economic diversification, political reforms, issues of regional importance, etc. Regional security and cooperation are important issues.

Security is of great importance for both countries. I am glad that we are entering a new phase in this area. We work together on issues of global security. Our servicemen are taking part in peacekeeping operations in various parts of the world and serve together in Afghanistan. Azerbaijan ensures the transportation of 40 per cent of cargo sent to Afghanistan, and our route can be considered the most stable.

Our cooperation with NATO should also be evaluated from the angle of bilateral relations, and I am very pleased that this relationship is getting stronger with each passing day. Azerbaijan is a reliable partner in the region. We confirm this not just by statements, but by actual deeds. It is of paramount importance to our cooperation.

Issues of regional security will always be at the center of attention. The issue of combating terrorism is an important topic, and Azerbaijan, as a non-permanent member of the UN Security Council, attaches particular importance to this issue. The fight against international terrorism contributes to the consolidation of efforts in this area and to the peace of our citizens.

The United States also plays an active role in the settlement of the Armenian-Azerbaijani Nagorno-Karabakh conflict.



The USA is one of the OSCE Minsk Group co-chair countries. Unfortunately, nothing has been achieved in this area yet. Our lands are still under occupation. But we hope that through the efforts of the international community, particularly the Minsk Group, the conflict will be resolved and refugees and internally displaced persons will return to their homes.

We welcome the statement by the US administration about the unacceptability of the status quo. This

fully overlaps with our position and is the requirement of the day. After all, the Nagorno-Karabakh conflict is not only a manifestation of violence and breach of international law. It also poses the biggest threat to regional security and stability. This region must be safe and prosperous.

It must also be integrated.

This conflict and the ongoing occupation of Azerbaijani lands play a very negative role. I would like to tell you that Armenian separatists supported by Armenia had put forward unfounded territorial claims against Azerbaijan even before the collapse of the Soviet Union - in the 1980s. Azerbaijan was faced with a very difficult situation after the collapse of the Soviet Union. Our economy was in a paralyzed state, while the rise of separatism also created a very negative picture.

The occupation of 20 per cent of Azerbaijani territory, the expulsion of more than a million Azerbaijanis from their native lands, the ethnic cleansing - these deplorable conditions created a very difficult situation. We are talking about the occupation of not only Nagorno-Karabakh, but also seven ancestral and native Azerbaijani districts. The entire infrastructure there has been destroyed. The reports of various evaluation missions of international organizations also state that the entire infrastructure, all historical monuments have been destroyed by the Armenian armed forces.

The Azerbaijani people have been subjected to genocide. As you know, innocent women and children were killed with particular cruelty in Khojaly in 1992. Several countries have recognized this tragedy as an act of genocide. Several US states have also recognized it as genocide.

In resolving this conflict, it is first of all necessary to restore the principles of international law. The UN Security Council has adopted four resolutions requiring an immediate and unconditional withdrawal of Armenian troops. I think that the settlement of the conflict can ensure regional security and well-being. The post-conflict South Caucasus will be better able to integrate into the international community. Azerbaijan's experience shows that if there is a predictable and forward-looking policy, then you can be successful.

Another important area of our relations is energy security. We have worked closely with the United States in this area since 1994. The USA was actively involved in various projects in Azerbaijan at the time. As you know, Azerbaijan was the first country, I would say, a pioneer in the supply of Caspian resources to international markets. In 1993-2003, the USA was actively involved in all processes. If it hadn't been for the strong support of the US Administration and the USA, we could not have achieved success.

We have seen very strong support, and the US-Azerbaijani partnership has ensured the implementation of these important strategic projects.

We managed to attract investment, create favorable conditions for investment and provide for their legal protection. Azerbaijan has a favorable business environment, which also serves the diversification of our economy. Our energy revenues were channeled into the development of the non-oil sector. The Baku-Tbilisi-Ceyhan oil pipeline has been built and put into operation with the support of the US Administration.

The construction of the oil pipeline was the opportunity to deliver resources to international markets not only for Azerbaijan. It was a new corridor, a new direction, a new route. While realizing this project, we could not see all of its positive features. But today we are witnessing the fact that this project has changed the energy map of the continent. We are now able to export all our crude oil. This pipeline is used not only by Azerbaijan, but also by our partners. This corridor has served to bolster regional security and played a crucial role in improving the business environment.

We have already implemented a number of major energy projects. These projects serve the transportation of oil in different directions. Together with our European partners we are working on the Southern Gas Corridor project. This project was initiated by Azerbaijan. The European Union sees Azerbaijan as a major supplier of oil and gas to the continent, and Azerbaijan plays an important part in this project. We have signed a memorandum with the European Union. A number of specific measures have been taken to build the Southern Gas Corridor. This project will facilitate the transportation of Azerbaijan's vast gas resources to Europe. It will also strengthen the economic cooperation and serve European energy security. Finally, Azerbaijan's export potential will significantly increase.

In addition, we actively cooperate with consumer and exporter countries. As you know, this gas does not go to the United States, but the USA supports this strategic project. This is a project that serves economic and energy diversification. This is a project serving regional energy cooperation. This is a project bringing Azerbaijan and Europe closer together. It will enhance our diversification opportunities because we are not talking about diversification of routes but of sources.

Azerbaijan is a new source. We have discovered huge gas reserves in the Caspian Sea, and Azerbaijan is now taking the necessary financial and technical measures to implement the Southern Gas Corridor project.

I am certain that US-Azerbaijani relations are as significant today as they were in the mid-1990s.

Speaking of that, we make more effort to diversify our economy and reduce the economy's dependence on the energy sector. We strive to ensure the sustainable development of the country and the economy. Oil and gas are exhaustible. As for Azerbaijan, we have enough resources to last for 100 years. But despite this, we aim to turn the "black gold" into the human capital. We have already begun this work. We invest in leading and advanced technologies, in the non-oil sector. The growth of our non-oil sector in the first four months of this year was 11 per cent. This is an indication that we have largely achieved our objectives and managed to diversify our economy. Of course, the use of modern technologies in this field and education are important. In the mid-1990s, we also needed modern and progressive technology because the resources lying at a depth of over 150 meters were not accessible to us in Soviet times. The information and communication technology and innovation have played a very important role in diversifying our economy today. The cooperation between our countries here is of paramount importance.

Clear evidence of our collaboration was the launch into orbit of Azerbaijan's first satellite in February of this year. The satellite is called "Azerspace-1". This indicates that more satellites will be built in the future. We intend to develop a space industry in Azerbaijan. This is a mutually beneficial cooperation. This enables us to invest in modern technology, education and human capital. At the same time, it contributes to the expansion of cooperation between our two countries.

I am confident that this forum will consider not only the political and security aspects of our relations. At the same time, we must attach importance to economic cooperation. We should be more active economically. We are very pleased that numerous American companies operate in Azerbaijan. But I am sure the potential is greater. Azerbaijan's opportunities are expanding. In terms of economic reforms Azerbaijan has excellent indicators. This is confirmed by international financial institutions. Therefore, we believe that the successful development of Azerbaijan will be continued. We will invest in the sectors of the economy where there should be greater progress. We will turn to American companies, so that they could explore new areas of cooperation.



Some experts link the development of Azerbaijan to energy. Of course, it is no secret that energy has played a major role in the transformation of Azerbaijan. But if we analyze, we will see that this is not quite the case. We have managed to wisely use our oil revenues. We channeled these revenues into various industries and implemented infrastructure projects. I would say that we have carried out drastic economic reforms. This is part of our strategy.

Political and social reforms should be carried out simultaneously with economic reforms because if one area falls behind, we can't achieve long-term growth and success.

We also need political reforms. We are doing that. We are developing our democratic institutions. All freedoms are provided for in Azerbaijan. We are proud that Azerbaijan is a country of absolutely free media and the Internet. Not every country has free Internet. In Azerbaijan, the number of Internet users constitutes 70 per cent of the population, and this figure is growing. Therefore, political reform and democratic process are constantly on our agenda. These reforms should be complemented by the economy, by successful economic and social reforms.

We take into account our historical heritage. Back in the mid-1990s, we made a specific decision to build a secular, modern and democratic country. We are a country that seeks to establish close cooperation with friendly and partner countries, Europe and Euro-Atlantic institutions. Cooperation with NATO and the European Union is the main issue on our international agenda. Our position in foreign policy is open and clear. We openly and transparently express our position in the UN Security Council. In October 2011, we marked the 20th anniversary of independence and, at the same time, with the support of the overwhelming majority of UN members, were elected to the Security Council - the most powerful organization in the world.

We enjoy great authority in the Muslim world. We have many partners. At the same time, we are a member of the Council of Europe. We are a country that in some ways acts as a natural political, economic and cultural bridge.

Tomorrow we will host another event on intercultural dialogue. We are a state serving as a model of good neighborliness, peaceful coexistence and tolerance. Therefore, economic and political reforms have helped the transformation of the country. I can tell you that our reforms are highly appreciated by international financial institutions.

During the financial crisis, Fitch, Moody's and S&P upgraded the credit rating of Azerbaijan.

According to the Davos forum, Azerbaijan is among the top 50 most competitive economies in the world. This is due not only to oil. There are countries exporting much more oil than Azerbaijan. But they could not achieve such success. This is an indicator of diversification in Azerbaijan, business opportunities, a strong social policy, investment in science and education. I would like to assure you that we have undergone great development. We have tripled the gross domestic product, reduced poverty from 50 to 6 per cent. And this, of course, is an indication of the proper application and use of our opportunities.

At the heart of our development lay revenue generation and transparency of the process. Our Oil Fund is the most transparent oil fund in the world. We have reduced the unemployment rate to 5.2 per cent. If we consider the important investment, this figure will reduce further. Our economy is stable. Our strategic currency reserves account for 70 per cent of the gross domestic product. Therefore, there is a political and economic stability. 83 per cent of our economy is provided by the private sector. At the same time, our openness to cooperation and all of these conditions will serve the development of our economy. I want to say quite sincerely that a lot was done for our cooperation during my previous activities and in the current presidential term. This cooperation is very important.

The USA has always been close to Azerbaijan, been our closest partner in the implementation of reforms and in strengthening regional security. I think that this forum is clear evidence of that. I am confident that very sincere and interesting exchange of views will be held during this forum. This will be continued in the name of further success of our collaboration and partnership.

Thank you!

THE SECOND WORLD FORUM ON INTERCULTURAL DIALOGUE LIVING TOGETHER PEACEFULLY IN A DIVERSE WORLD

30 May 2013, Baku

On 30 May 2013, the Second World Forum on Intercultural Dialogue on the subject of “Living Together Peacefully in a Diverse World” was held at the Heydar Aliyev Center in Baku.

President Ilham Aliyev attended the opening ceremony. The forum participants warmly welcomed the head of state.

President Ilham Aliyev made a speech at the opening ceremony.

Speech by President of the Republic of Azerbaijan Ilham Aliyev

- Dear ladies and gentlemen! Distinguished guests!

I cordially greet all of you, welcome to Azerbaijan! The fact that the World Forum on Intercultural Dialogue is held in Azerbaijan is a very significant event. I am glad that this forum is being held in Baku for the second time. I remember putting forward the idea during the first forum two years ago that it would be good if this forum was traditional. I am very pleased that our friends have supported this initiative and are participating in the second forum together with us today.

In fact, the holding of this forum is a manifestation of the “Baku process”. The “Baku process” began in 2008. I believe that this was a very important event in modern history. The start of a broad process will be remembered for the participation of Culture Ministers of the Organization of Islamic Cooperation member-states in the Baku meeting of Culture Ministers of the Council of Europe in 2008. Then, in 2009, a meeting of the Culture Ministers of the Organization of Islamic Cooperation was attended by their colleagues from the Council of Europe. In other words, Baku, essentially playing the role of a geographical bridge, has also successfully performed the function of an intercultural bridge.

In 2010, there was another very important event - the World Summit of Religious Leaders in Baku, while the first forum was held in 2011. The “Baku process” is already developing, and I am sure that the discussions, exchanges of views and reports to be held during this forum will contribute to our common cause. After all, we all want interreligious and intercultural relations in the world to be built on a sound basis, the trend of cooperation to intensify, negative phenomena to be thwarted and the dialogue among civilizations to be dominated by positive trends. Unfortunately, we still cannot fully achieve our goals.

There are standoffs on religious and ethnic grounds, civil wars and growing trends of misunderstanding in different parts of the world. I think that the discussion of these important issues in this format will be a contribution to our cause and to our cooperation.

I believe that the holding of this forum in Azerbaijan is no coincidence. Azerbaijan has been the homeland for the representatives of all ethnicities and confessions living here for centuries. We are proud that the independent Azerbaijan is still a multi-ethnic and multi-religious country. Representatives of all religions and ethnicities live here like one family, in an atmosphere of peace, friendship and mutual understanding. It is our great asset, a great

advantage, and I believe that this factor has also played a role in the successful development of Azerbaijan.



I should note that regardless of the public and political structure, Azerbaijan has always been a space of religious tolerance. I am glad that in the years of independence we have not only managed to maintain these positive trends, but have further strengthened them and do not limit our activities to Azerbaijan alone. The initiatives Azerbaijan has put forward are reverberating around the world today. I believe that all of our regional initiatives – political, economic and others – also create favorable conditions for regional cooperation, while the dialogue among peoples and nations further enhances these positive trends. Countries may and do have political interests. Of course, there are also economic interests involved. In many cases, these interests bind countries together. But I believe that in order to strengthen the positive trends of cooperation, the relations between peoples must be built on a sound basis.

I believe that the agenda of the forum is very broad. The issues to be discussed here are of great importance. Thoughts regarding our views on the common future will also be expressed. This is a very important issue - the common future.

This world has room for every people and for every nation. We only need to have peace, tranquility and mutual understanding. We see the advantage of cooperation in the successful development of Azerbaijan.

All our steps associated with regional initiatives are aimed at cooperation. Through cooperation and mutual support we fully provide our economic and political interests. As for the area of regional cooperation, I believe that our positive experience may be of interest. At the same time, Azerbaijan is not only a multi-ethnic and multi-religious country. It is one of a handful of countries that are members of both the Council of Europe and the Organization of Islamic Cooperation. We are very active and have a very strong position in both organizations. These features, I think, are also making a contribution to the promotion of intercultural dialogue.

Azerbaijan is a part of the Muslim world. Of course, Azerbaijan has very strong national and religious traditions. The independent state of Azerbaijan is built on strong national and spiritual values. At the same time, there was a fairly strong European influence in Azerbaijan at different times, especially since the 19th century. Two days ago we celebrated the 95th anniversary of the Azerbaijan Democratic Republic. The Azerbaijan Democratic Republic was the first republic in the Muslim world and essentially not only led to the independence of the Azerbaijani people but also provided an impetus for the development and spread of the republican system in the region and the Muslim world.

Azerbaijan as a part of the Muslim world is very active in the Organization of Islamic Cooperation. I am proud to say that Baku was declared the capital of Islamic culture in 2009. Another ancient Azerbaijani city, Nakhchivan, will be awarded this honorary title in 2018.

In addition, last year Baku hosted the most representative music contest of Europe and perhaps the world - "Eurovision".

In 2015, Azerbaijan will play host to the first European Olympic Games. All these issues indicate that Azerbaijan is not only a favorable venue and platform for intercultural dialogue. By our initiatives, foreign policy and contribution to the dialogue between civilizations, we are further enhancing this cooperation.



This is a very important issue indeed, because we are all witnesses to both positive and negative trends in the world. In particular, different thoughts about multiculturalism have been expressed lately. Some believe that multiculturalism has failed. Politicians in some countries have openly talked about that. We see that public opinion is very pessimistic about the development of multiculturalism trends. Unfortunately, sometimes political statements, the

activities of non-governmental organizations and some media institutions do not contribute to the development of inter-civilizational dialogue. Instead, they give way to discrimination. Therefore, the responsibility of politicians and public figures is of great importance here. Any idea expressed anywhere in today's globalizing world and in the Internet era may immediately reverberate in the world.

I believe that we should apply the positive experience even more broadly. The people present here, the participants in this forum have one common idea. We share the idea of multiculturalism, the successful future of the intercultural dialogue, strengthening the positive trends occurring in the world. This being the case, we must also strive to strengthen these positive trends with our work and practical steps.

Returning to Azerbaijan, I can say that multiculturalism has existed in Azerbaijan for centuries.

In previous periods we were not familiar with this concept. These are relatively new notions - tolerance and multiculturalism. But they have existed at all times. Azerbaijan is one of the addresses of multiculturalism. As I pointed out, representatives of all ethnicities and religions live like one family in Azerbaijan. The historical monuments of all religions are protected in Azerbaijan. We have great respect for our historical past. A beautiful monument of Zoroastrianism, the Atashgah temple, has been preserved in Baku. On 17 May, the oldest mosque of the country reopened in Shamakhi after restoration. This mosque was built in 743 - 1270 years ago. Today, Azerbaijan has restored this mosque.

The Government of Azerbaijan has also provided full support for the construction of a synagogue in Baku.

The Azerbaijani state restores and preserves ancient Albanian churches. There are also Orthodox and Catholic churches here.

So a mere enumeration of these facts shows that there are excellent opportunities for multiculturalism. I believe that these positive trends may be strengthened in every corner of the world as long as there is political will and politicians follow the right course on this issue. There is practically no alternative to multiculturalism. The alternatives of it are discrimination, xenophobia, racism and fascism. I believe that in the 21st century progressive people should be more active in preventing these negative trends. This activity should be complemented in a variety of forms.

I think that that the second forum taking place in Baku is a great contribution to our common cause. But we should not limit our work to organizing forums. We have to prepare a variety of activities and carry out a variety of events. We should take serious measures to promote intercultural dialogue.

I am glad that we have taken important steps in this direction in the period that has passed since the first forum.

I am confident that the results of this forum will be very positive. At the end of the forum we will adopt a plan of activities.

The development of multiculturalism is necessary and important for every nation and every state, especially for Azerbaijan, a country which has suffered from ethnic cleansing. As a result of a low level of multiculturalism trends, Azerbaijani lands have been occupied. This occupation has lasted for more than 20 years. Our people have been subjected to a policy of ethnic cleansing.

The Azerbaijani population has been driven out of Nagorno-Karabakh and surrounding districts. All of our religious monuments and historical assets have been destroyed and looted. This is confirmed by the reports of two OSCE missions. The reports of these missions explicitly say that Armenian armed forces have destroyed all the monuments, infrastructure and buildings on our occupied lands. This injustice continues. Unfortunately, the conflict remains unresolved. Unfortunately, the rules of international law do not apply to this conflict.

The UN Security Council has adopted four resolutions on the settlement of the conflict. These resolutions contain a clear message concerning the withdrawal of Armenian forces from the occupied lands. The occupation must end unconditionally. But Armenia does not fulfill these resolutions, and the injustices continue. The rules of international law are grossly violated. A speedy resolution of the conflict would, on the one hand, be a sign of respect for international law and, on the other, mean the restoration of historical justice because Nagorno-Karabakh is native Azerbaijani land. All place names there are Azerbaijani place names. All the monuments there belong to our people and are the result of talent and hard work of the Azerbaijani people.



The speedy resolution of the conflict will bring peace to the region. In this case, the processes in the region will go in a more positive direction. Azerbaijan must restore its territorial integrity.

The territorial integrity of Azerbaijan is recognized by the entire world and international organizations. The conflict can be resolved only on the basis of the principles of territorial integrity.

I believe that we will hear valuable thoughts on these important issues today and tomorrow. The forum is a significant event. I think that the first forum held two years ago was quite symbolic. In the past two years, the development in Azerbaijan continued in all directions. Important activities have been carried out for the development of intercultural dialogue. The International Humanitarian Forum has been held twice - in 2011 and 2012. One could say that the themes of these forums were similar. Despite the fact that 20 per cent of our

land is under occupation and more than a million of our citizens live as internally displaced persons, the rapid development of Azerbaijan has continued. Azerbaijan is developing. Our successful development manifests itself in all directions.

Since the previous forum the world community has shown great confidence in Azerbaijan. In October 2011, Azerbaijan was elected a member of the UN Security Council with the support of 155 countries. This is a great historic event for our people and for our independent state.

The trend of successful economic development has further intensified. We can say that Azerbaijan has successfully addressed major economic and social issues. Even in the years of global economic recession the Azerbaijani economy continued to grow. Today the process of economic diversification is successfully continuing. This is the fundamental condition for sustainable development. International rating agencies have upgraded the credit ratings of Azerbaijan.

Azerbaijan's economy is among the top 50 most competitive economies of the world. Of course, our strong financial position, a stable political situation, regional initiatives, natural resources and, most importantly, human capital are the factors leading Azerbaijan forward. A few years ago we stated that human capital is of paramount importance to us. A very strong social policy is being pursued. At the same time, a lot is being done in connection with culture and preservation of our historical heritage.

I am sure that guests will also see the historical monuments of Baku. Those who are here for the first time will go back with pleasant impressions.

Once again, dear friends, I cordially greet all of you. Thank you for coming to Azerbaijan.

I wish the forum success.

Thank you!

THE OFFICIAL VISIT OF PRESIDENT OF THE COUNCIL OF MINISTERS OF THE REPUBLIC OF ITALY TO THE REPUBLIC OF AZERBAIJAN

11 August 2013, Baku



On 11 August 2013, an official welcoming ceremony of President of the Council of Ministers of Italy, Enrico Letta, who came to the Republic of Azerbaijan on an official visit, was held. A guard of honor was arranged in a square decorated with the state flags of the two countries in honor of the distinguished guest.

After the official welcoming ceremony, President of the Republic of Azerbaijan Ilham Aliyev and President of the Council of Ministers of Italy Enrico Letta held a one-on-one meeting.

The sides expressed their deep satisfaction with the successful development of bilateral relations between the two countries in political, economic, energy, cultural, humanitarian and other fields. It was noted that there were good opportunities for further expansion of relations. The parties also expressed their confidence that bilateral cooperation would continue to strengthen. The sides highlighted the importance of the official visit of President of the Council of Ministers of the Republic of Italy Enrico Letta to Azerbaijan for a further strengthening of cooperation between the two countries.



The sides exchanged views on bilateral, regional and international issues.

President Ilham Aliyev and President of the Council of Ministers of Italy Enrico Letta held a meeting in an expanded format with the participation of delegations

After the one-on-one meeting, President of the Republic of Azerbaijan Ilham Aliyev and President of the Council of Ministers of Italy Enrico Letta held a meeting in an expanded format with the participation of delegations.

Welcoming the Italian delegation, President of the Republic of Azerbaijan Ilham Aliyev said:

- Dear Mr. Prime Minister, distinguished guests. Let me welcome you to Azerbaijan again. I am very glad to see you here.



We have had an excellent opportunity to exchange views on major issues of our successfully developing bilateral relations. Of course, your official visit to our country shows the high level of relations between our countries. Our agenda is very broad and covers various areas. We are making progress on all issues on the agenda. This includes political, economic, energy spheres.

In recent years, Italy and Azerbaijan have succeeded in developing a very strong partnership. There is no doubt that this partnership will develop further in the coming years to reach an even higher level. As we noted today, we understand that we must raise our relations to a higher level. We appreciate your visit to our country. This is a great sign of friendship and, at the same time, a great opportunity to address important issues of our bilateral relations. Once again, welcome!

President of the Council of Ministers of Italy Enrico Letta said:

- Thank you, Mr. President. We appreciate your sincere hospitality. The opportunity to be here and discuss ways of strengthening bilateral cooperation with you and with your government is very important for us.

This wonderful opportunity presented itself after the decision on the TAP pipeline. This decision is very important for Italy and much of Europe. I take this opportunity provided by the adoption of this decision to note how important it is for us to strengthen our bilateral relations and cooperation, which is not limited to the energy sector. However, using the energy cooperation, we are further strengthening and raising our relations in the economic and political spheres to an even higher level. There is also efficient cooperation between our armed forces in Afghanistan. Of course, we would like to achieve more significant progress in economic cooperation. In early November, a high-ranking delegation of the confederation of employers and the association of construction workers of Italy will arrive in Baku. The purpose of their visit is to further expand our cooperation.

Press Statements by President Ilham Aliyev and President of the Council of Ministers of Italy Enrico Letta

Statement by President of the Republic of Azerbaijan Ilham Aliyev

- Dear Prime Minister! Ladies and gentlemen!

I welcome you to Azerbaijan. I do hope that your visit will be memorable. This is a historic visit. The Prime Minister of Italy is paying a visit to Azerbaijan for the first time. We welcome you to Azerbaijan and attach great importance to this visit.



This is a visit that confirms the significance of our bilateral relations. It is an excellent opportunity to discuss various aspects of our bilateral relations. Our relations are developing successfully. We have established an effective political cooperation, which is evidenced by this visit. We actively cooperate within the framework of international organizations. Close political contacts are also very important to the diversification of our relations, so that they cover all areas. I can say that Italy is our main trading partner. Of course, this is primarily associated with the oil industry. But I hope that as a result of this visit and the discussions to be held we will also diversify our trade relations.

We are inviting Italian companies to Azerbaijan to act as investors and contractors. A large Italian delegation will visit Azerbaijan to discuss various projects. We have discussed energy cooperation between our countries. This will open a new page in our relations. It will be a new page not only in our bilateral relations, but also in the relations between Azerbaijan and the European Union.

Azerbaijan contributes to the energy security of the European Union. At the same time, through the European Union we have found new markets. We have great resources. We have already identified new markets and will encourage long-term relationships. In June of this year there was a very important event associated with the selection of the Trans-Adriatic gas pipeline route. It was a choice made in a fair competition. The most viable project was chosen. Energy security is a very important issue for any country. In this respect, Azerbaijan is a great country. We have ample resources and large markets. At the same time, we enhance competition also as a transit country and encourage communication between our states.

Azerbaijan is actively involved in a number of European programs. At the same time, our relations with European institutions are an issue of great importance. Therefore, I am grateful to the Prime Minister of Italy for supporting Azerbaijan's cooperation with European institutions and NATO. Along with energy issues we have also discussed regional affairs. I have updated the Prime Minister on the occupation of our lands by Armenia and the process of settlement of the Nagorno-Karabakh conflict. Despite a number of resolutions and decisions, the issue remains unresolved. Of course, the key principles here are international law and the territorial integrity of Azerbaijan.

The solution of this issue will contribute to regional peace and partnership. We are a very important country in the region, an important country located in the Caspian basin. Thanks to the close relations with Europe we will achieve even more effective results. Prime Minister, I am sure that your visit will give a positive impetus to our relations and facilitate their development in various fields. Of course, people in Azerbaijan are very familiar with Italian culture. I do hope that we will also take this opportunity to introduce Azerbaijan to the Italian people. So I would like to thank you, Prime Minister, for your visit to our country. I am confident that we will work together very effectively in the coming years.

Statement by President of the Council of Ministers of Italy Enrico Letta

- Mr. President!



It is a great honor for me to be here. You know very well how important this visit is for us. I am the first Prime Minister of my country to pay a visit to Azerbaijan, to Baku. It is yet another indication of how important our discussions and the choice of the TAP project are.

I believe that this project will be an important factor in the energy future of Italy. This project is of paramount importance for the future of not only Italy but also of the whole region. This is a project that will change the energy map. By carrying out effective cooperation, we have established close contacts with the governments of

Greece and Albania. Of course, we must not forget Turkey. We are confident that such arrangements will boost our effective cooperation. Most importantly, we must not waste time on this issue and the implementation of this project must commence soon.

At the same time, I would like to thank you, Mr. President, and Azerbaijan in general for this choice. The TAP project was selected on the basis of commercial principles. But it is a very important issue. I believe that this project will raise the economic ties between our countries to a higher level.

Taking advantage of this opportunity, I should address the people of Italy and note the importance of partnership with Azerbaijan for our country and its future. Our active participation in these projects will raise our economic relations to a higher level.

We will create a joint group. In November, representatives of leading Italian companies will come to Azerbaijan. Representatives of the association of construction companies and the federation of heavy industry equipment of Italy will visit Azerbaijan to explore for various opportunities. I am sure that this too will attest to the nature of our contacts.

We have noted in our joint declaration that this activity should be enhanced. At the same time, a meeting of the Economic Commission will be held at the end of this year. This is a very important matter. We should also focus on the cultural sphere of our cooperation. We will create the Italian-Azerbaijani civil society forum. This forum will encourage contacts among our peoples.

As Mr. President has noted, we have also discussed the settlement of the Nagorno-Karabakh conflict. We believe that the status quo in this matter is unacceptable. The settlement of the protracted conflict will make a historic contribution to peace and security in the region.

Italy actively supports the activity of the Minsk Group, and we believe that this format is best suited for a final settlement of the conflict. I would like to reiterate that the unresolved status of the conflict is not in favor of any party. In addition, I would like to emphasize Azerbaijan's consent to participate in the EXPO-2015 exhibition. This exhibition will be held in Milan. Various important topics will be discussed there. I would like to thank Azerbaijan for agreeing to participate in the exhibition. This is an exhibition held across the European Union. It is a traditional event held for 30 years. So, Mr. President, thank you for having made this choice.

I do hope that we will see each other again in the near future – in Vilnius in November. At the same time, taking advantage of this opportunity, I would be very happy to see Mr. President in Italy. I am inviting you, Mr. President, to get acquainted with this show in 2015. As a continuation of our meetings today, we will discuss various topics there too.

At the same time, our companies and manufacturers will soon visit Azerbaijan and sign relevant agreements, which will also contribute to the development of very important economic ties between the two countries. Energy is a very important issue for Italy. We spend a great deal on issues related to energy. In this sense, we advocate a completely different situation. We are therefore very pleased that Azerbaijan has made its choice in connection with TAP. Thank you very much.

Then questions from journalists were answered.

Director of 1news Information Agency Rahman Hajiyev: Mr. Prime Minister, my question is to you. You have noted that the Armenian aggression against Azerbaijan has been ongoing for 20 years. As you know, 20 per cent of our territory is occupied by Armenian troops. More than a million of our compatriots have become refugees and internally displaced persons. The Nagorno-Karabakh conflict is the biggest obstacle to regional cooperation and a major threat to the security of Europe. The UN Security Council has adopted four resolutions in this respect. All of the resolutions demand an unconditional release of Azerbaijani lands. Armenia has ignored these resolutions and all other documents. Why do you think these resolutions remain unfulfilled?

Prime Minister Enrico Letta: I spoke to the President about this a few minutes ago. I was a student when the Nagorno-Karabakh conflict started. I was studying at the university, receiving education in international relations. So I am familiar with the problem. The conflict has continued for more than 20 years. This is a very long time. I am well aware of the dangers the continuation of the conflict is fraught with in the future. Italy will make every effort to resolve the conflict in accordance with international practices. We believe that the settlement of the Nagorno-Karabakh conflict must be supported by the international community. Traditionally, we have paid great attention to this conflict. Our diplomats have been keeping the issue in the spotlight, have traditionally put forward and discussed various proposals. Next year Italy will assume presidency in the European Union. It is a huge responsibility for us. I would like to assure you that we will do everything possible to resolve the conflict at the international level.

Jeyhun Aliyev ("Azad Azerbaijan" TV channel): Mr. President, our countries have established effective cooperation. What additional measures can be taken to further expand our economic ties?

President Ilham Aliyev: We have discussed this issue. We believe that an important part is to be played by diversification.

The energy sector plays an important role in our relations. This is the case, especially in terms of the implementation of the TAP project. At the same time, I believe that we have an even greater potential in the non-energy sector. This is a priority issue for our countries and governments. This is a very important issue for the diversification of our economy and non-oil sector development. A partner such as Italy can help us with the successful implementation of diversification projects.



companies in infrastructure projects in Azerbaijan.

We look forward to the visit by a delegation of Italian businessmen to Azerbaijan. At the same time, a meeting of the intergovernmental commission will be held. We can identify the scope for effective cooperation. Today we have discussed issues of construction, tourism, agriculture and the establishment of new industrial estates. As you know, it is an important issue for us. At the same time, we have discussed the participation of Italian

I am confident that the implementation of the TAP project and the strengthening of cooperation in the energy sector we enable us to pay more attention to the non-oil sector, diversify

our trade relations and further strengthen the relations between our countries and peoples.

Italian journalist: Mr. Prime Minister, we encountered very dangerous phenomena yesterday – the issue of illegal migration. Not only the media but also politicians in different countries are saying that the issue of illegal immigration is a major problem. This is a continental problem. I would like to hear your opinion about that.

Prime Minister Enrico Letta: Indeed, I would like to express my condolences to the families of those killed in the tragedy that took place in Catania. Here we are talking about migrant workers coming to the coasts of Italy. Yes, the government of Malta is actively involved in resolving the issue and identifying the victims together with us. We are trying to help these people overcome difficulties.

Italy is part of Europe, and we, I would say, also have a certain status associated with hospitality. But we also have laws and principles that should be ensured. We have a principled position regarding labor migrants coming to our shores. And our position remains unchanged. Sometimes we have to take tough measures. Today, the flow of migrants to the Mediterranean region is an important issue. If this issue is not resolved within the framework of our principles and laws, then we will have big problems. Today, there are similar problems associated with migration in various parts of the world. This undermines the situation in different countries. Ten days ago, we held a special Cabinet meeting in this regard and talked about providing these people with everything necessary.

For example, Azerbaijan has great achievements from this point of view. If partners such as Azerbaijan help us, we can overcome these great obstacles, in particular resolve the problem of illegal migration. This is a very important issue for our domestic policy. At the same time, this problem exists at the international level. So if Italy remains committed to its stance, then we can make significant progress in this matter and resolve the issue of migration.

At the same time, it will be a great help for our partners. Migration in the Mediterranean region is a very important issue.

Here we are talking about common initiatives in Europe. We should demonstrate a unified position in various fields. As in other matters, there also should be a unified position here.

On the same day, President of the Republic of Azerbaijan Ilham Aliyev has hosted an official reception in honor of President of the Council of Ministers of Italy Enrico Letta.

Addressing the reception, President of the Republic of Azerbaijan Ilham Aliyev said:

- Mr. Prime Minister! Distinguished friends, dear guests!



I welcome you to Azerbaijan again. Your visit is truly historic. It will go down in the history of our relations as the first visit of the Prime Minister of Italy to Azerbaijan. This is very important and significant. It is a good sign of cooperation and friendship. At the same time, your visit is significant from the point of view of the discussions we held today. We have

touched on many aspects of bilateral relations and regional cooperation. We will continue our discussion today, during the meal.

I would like to express my satisfaction with the development of friendly, stable and predictable relations between our countries based on mutual support, understanding and respect. As we noted today, these ties are important for the relations between the European Union and Azerbaijan. We are grateful for your country's support of the relations between the European Union and Azerbaijan, and I do hope that many new developments are in store for us in the coming months and years. I am sure that after this visit we will witness a more active cooperation in the economic sphere, because energy projects will further bind our countries together and our relations will steadily develop in the interests of our peoples.

President of the Council of Ministers of Italy Enrico Letta said:

- Mr. President, I have a feeling that the relations between Italy and Azerbaijan are changing today.



I am pleased to note that. Today, we are laying the foundation of our relationship, which is very important for the future of our relations. It is very important for us. We have a great interest in the work being done, and this will be the case in the future too. Our cooperation begins with the energy sector, and I am sure that our communication, along with the energy sector, will also cover a variety of specific areas. I believe that we have a bilateral agenda now,

according to which we have determined that our countries are ready to cooperate, especially in the energy sector, and, of course, in economic, political and cultural spheres.

Your decision to participate in the exhibition we will hold in 2015 is a very important indicator of strong will and friendship.

Of course, I am very pleased that the Italians will get to know Azerbaijan better in the future. My current visit will help the Italians understand what kind of a country Azerbaijan is and the nature of our strategic partnership. I know that strategic relations between our countries require the cooperation of governments and organizations. At the same time, I know that personal relations also contribute to that. I am confident that the issues we have discussed today, their solutions, as well as our thoughts on military cooperation, cooperation within NATO, Afghanistan and other important areas, are important.

We, as part of the European Union, are a friend of Azerbaijan. We will try to positively resolve the emerging issues. We will meet in Vilnius again, and I do hope that the Vilnius forum will achieve new breakthroughs.

THE OFFICIAL VISIT OF THE PRESIDENT OF THE RUSSIAN FEDERATION TO THE REPUBLIC OF AZERBAIJAN

13 August 2013, Baku



On 13 August 2013, President Ilham Aliyev held a one-on-one meeting with the President of the Russian Federation Vladimir Putin, who was paying a visit to Azerbaijan.

Welcoming the Russian President, President of the Republic of Azerbaijan Ilham Aliyev said:

- Dear Vladimir Vladimirovich! I am very pleased to see you! Welcome to Azerbaijan! I am sure that your visit will give an additional impetus to our relations.

Our relations are developing very dynamically, positively and successfully. Our relations encompass many areas. Today we will have the opportunity to discuss the bilateral agenda and regional issues. The agenda is quite broad, there are good results in the economy, even better than we expected. Also, there are traditionally good results and prospects in the humanitarian sphere. In other words, our relations are developing successfully.

Your visit, of course, has a special place in the development of our relations. I am sure that the positive dynamics of our relations will be continued after the visit.

I heartily welcome you again. You are welcome!

Russian President Vladimir Putin said:

- Ilham Heydar oglu, thank you very much for the invitation! Indeed, the relations between our countries are developing very successfully. Despite the overall difficult situation in the global economy, the increase in our turnover last year amounted to more than 40, nearly 50 per cent. This is one of the records for us.

Russia remains one of the leaders in the trade and economic relations with Azerbaijan – we are in second place and the trade turnover is growing. We are particularly pleased with the structure of trade both on the Azerbaijani and Russian side.

Our relations are developing in many directions. We can justifiably say that they are diversified. It is particularly gratifying that a lot of initiatives, including the initiatives of the Azerbaijani side, are focused on the development of the humanitarian sphere. I know that there are also your personal initiatives there. We will discuss all this today.

I am confident that our meeting today will contribute to the development of our relations. I am accompanied by a large team and key ministers on main areas of our cooperation. So the work will be meaningful, large, interesting and very useful.



After the one-on-one meeting, President Ilham Aliyev and Russian President Vladimir Putin held a meeting in an expanded format with the participation of delegations.

Welcoming the guests, President of the Republic of Azerbaijan Ilham Aliyev said:

- Dear Vladimir Vladimirovich! Dear guests! I want to heartily welcome you to Azerbaijan again. You are welcome! We attach great importance to your visit and have already exchanged views on a wide range of issues of mutual interest.

The agenda of our relations is quite extensive. Our cooperation is multifaceted and diverse. It covers almost all areas – the issues of economic cooperation, the humanitarian sphere, transport, regional security issues, etc. And we have similar positions on all the issues. Of course, another opportunity to discuss important issues of bilateral relations and regional policy with you is very important. I am very glad that you are accompanied by a large delegation. The composition of the delegation shows the areas to which we attach great importance. I am sure that this visit will contribute to further development of friendly relations between our countries in all areas and bring our states and peoples closer together.

Welcome again!

Russian President Vladimir Putin said:



- Thank you very much, dear Ilham Heydar oglu. Thank you for the invitation and for the attention you are constantly paying to the development of Russian-Azerbaijani relations. Let me say a few words about the most important thing perhaps, the humanitarian component. When meeting in a narrow format, we paid due attention to this matter, and I would like to note once again that Azerbaijan has a careful attitude towards the development of

the Russian language, preservation of education and joint work together in this area. There are schools working with the Russian language and Russian branches of universities here. This is extremely important because it provides the basis for work in all other directions.

In all other directions our relationships are on a rising trend. We have also noted that despite the difficulties in the global economy, our trade is growing. Last year it grew by nearly 50 per cent – by more than 47 per cent. This is a very good indicator of our cooperation capacity. Indeed, the Russian delegation includes many ministers from our key ministries and departments. I do hope that using this broad format we will exchange opinions about what we need to do to intensify our cooperation, and I am sure it will be helpful and useful work for the future. Thank you very much.

After the meeting of President of the Republic of Azerbaijan Ilham Aliyev and Russian President Vladimir Putin in an expanded format with the participation of delegations, the signing ceremony of Russian-Azerbaijani documents was held.

The Agreement on cooperation between the State Oil Company of the Azerbaijan Republic and the Open Joint Stock Company "Oil Company Rosneft" and the Main Conditions for the delivery of oil between the State Oil Company of the Azerbaijan Republic and the Open

Joint Stock Company "Oil Company Rosneft" was signed by the President of the State Oil Company of the Azerbaijan Republic, Rovnag Abdullayev, and the Chairman of the Board of Open Joint Stock Company "Oil Company Rosneft", Igor Sechin.

The comprehensive plan of cooperation between the Ministry of Emergency Situations of the Republic of Azerbaijan and the Ministry for Civil Defense, Emergency Situations and Elimination of the Consequences of Natural Disasters the Russian Federation for the 2013-2015 period was signed by the Minister of Emergency Situations of the Republic of Azerbaijan, Kamaladdin Heydarov, and the Minister for Civil Defense, Emergency Situations and Elimination of the Consequences of Natural Disasters of the Russian Federation, Vladimir Puchkov.

The Agreement between the Government of the Republic of Azerbaijan and the Government of the Russian Federation on cooperation in the field of aviation search and rescue was signed by the Minister of Emergency Situations of the Republic of Azerbaijan, Kamaladdin Heydarov, and the Minister of Transport of the Russian Federation, Maksim Sokolov.

The Agreement between the Government of the Republic of Azerbaijan and the Government of the Russian Federation on the construction of a road bridge across the River Samur near checkpoints "Samur" (Azerbaijan) - "Yarag-Kazmalar" (Russian Federation) through the Russian-Azerbaijani state border was signed by the Minister of Transport of the Republic of Azerbaijan, Ziya Mammadov, and the Minister of Transport of the Russian Federation, Maksim Sokolov.



The Program of cooperation in the humanitarian sphere between the Republic of Azerbaijan and the Russian Federation until 2015 was signed by the Minister of Foreign Affairs of the Republic of Azerbaijan, Elmar Mammadyarov, and the Minister of Foreign Affairs of the Russian Federation, Sergey Lavrov.

After the signing ceremony of Azerbaijani-Russian documents, President of the Republic of Azerbaijan Ilham Aliyev and Russian President Vladimir Putin made statements.

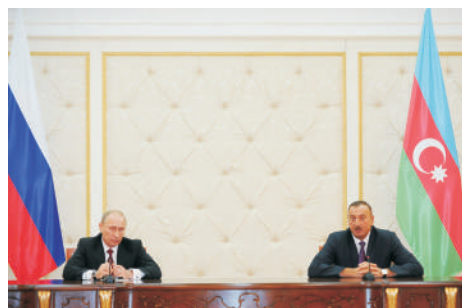
Statement by President of the Republic of Azerbaijan Ilham Aliyev

-Dear Vladimir Vladimirovich! Distinguished guests! Ladies and gentlemen!

I would like to sincerely welcome the President of Russia to Azerbaijan again. Today's visit demonstrates once again how dynamically and successfully our relations are developing in line with the expectations of our countries and peoples.

During the visit, we have reviewed a broad agenda of our relations, discussed all issues of mutual interest and outlined further development of our relations.

The relations between Russia and Azerbaijan are friendly, neighborly and based on the history of our peoples, a common destiny, mutual interests and a solid foundation today.



We are very satisfied with the development of our relations in the political sphere. We cooperate in international organizations as friends and partners. Special attention has been paid to this issue today. We support each other in international organizations and will continue the policy of mutual support in international organizations in the future.

We have also discussed regional issues today, in particular the issues of regional security and those related to the settlement of the Armenian-Azerbaijani Nagorno-Karabakh conflict.

As you know, the occupation of Azerbaijani territories has continued for more than 20 years. The territory under occupation is essentially unsuitable for life. Everything that can be destroyed has been destroyed. Twenty percent of our territory is occupied. The resolutions of international organizations are not being fulfilled. The UN Security Council has adopted four resolutions demanding an unconditional withdrawal of Armenian occupying forces from our territories, but they remain on paper. Therefore, the speediest solution of this issue is in the interests of all countries of the region.

A settlement should be based on historical justice, international law and the decisions and resolutions of international organizations. Russia as a co-chair country of the OSCE Minsk Group plays an important part in resolving the conflict. I want to reiterate that an early resolution of the conflict will lead to stability, predictability and cooperation in the region.

We are pleased to see the growing trade between our countries, which is especially gratifying at a time of the global economic and financial recession. The structure of trade is very positive. There is active cooperation in the military and technological spheres.

There have been occasional media publications about the volume of our military and technological cooperation, which do not always correspond to reality. I must say that today the volume of military and technological cooperation between Russia and Azerbaijan amounts to \$4 billion and tends to increase. I am sure that this cooperation will be continued in the future. Azerbaijan is already among leading buyers of Russian technology, which is rightly considered one of the best in the world.

We have carefully discussed the issues related to energy security as well. Our countries are actively cooperating in the power engineering sector. Important agreements in the field of oil and gas operations have been signed. And the agreements that have been signed today are a new page in the oil and gas cooperation between government agencies of Russia and Azerbaijan. I am confident that this cooperation will be very successful and effective.



We are countries producing and exporting energy resources. Naturally, our interests overlap. So I think that our active cooperation and the coordination of our efforts will determine very much in terms of regional energy. We are committed to establishing a sustainable cooperation and strengthening our interaction with Russia in this important area of economic and political development.

We have also signed an agreement in respect of the transport infrastructure. There is extensive cooperation in this direction.

I believe that the relations between Russia and Azerbaijan in

the humanitarian sphere can serve as an example. I should note again, in the presence of journalists, what we talked about: there are 335 schools in Azerbaijan where Russian is taught. Education in 15 of these schools is provided purely in Russian, 27 of our universities provide education in Russian, and the number of Russian-speaking students of secondary, vocational and higher education institutions exceeds 100,000 people. This is an important indicator of our attitude to the Russian language, Russian culture and Russian literature. All the positive traditions of the past are carefully protected in Azerbaijan.

And the present-day dynamic development of our relations, of course, contributes to the fact that we are seeing good results in the humanitarian sphere. Most likely, the cooperation in the humanitarian sphere is the foundation on which we are building our relationship, a relationship of friendship and good-neighborliness based on mutual interest, based on mutual respect and trust, a predictable and stable relationship.

Of course, the visit of the President of Russia to Azerbaijan is first of all a testament to the fact that our relations are at a high level. At the same time, it gives a powerful impetus to the future development of comprehensive relations between our countries.

Once again, dear Vladimir Vladimirovich – welcome! We are always glad to see you in our country.

Statement by President of the Russian Federation Vladimir Putin

- Thank you very much.

Dear Ilham Heydar oğlu! Dear colleagues and friends!

I haven't visited Azerbaijan in a long time. I was here only in 2006. It has been a long time. Azerbaijan is changing rapidly and vigorously. It is becoming a dynamic country that is developing fast. The pace of development of the Azerbaijani economy is one of the highest in the world. This is impressive. And we wish our friends continued success.

Azerbaijan is an old, traditional and reliable partner of Russia. We work closely in the Caucasus, in the Caspian region, within the framework of the CIS and within leading international institutions. At the heart of this cooperation is a strong tradition of friendship and mutual respect between our countries, between our states and peoples.

We have carefully discussed key areas of strategic partnership between Russia and Azerbaijan and outlined plans for its further development, first of all, of course, in the trade and economic sphere.



In this regard, I can note that despite the well-known decline in the global economy, our trade relations have developed and are still developing successfully. The increase, according to various estimates, ranged from 37 to 47 per cent last year. This is one of the obvious records between countries to date.

Russia has traditionally been one of the leaders in the trade turnover with Azerbaijan. We are in second place.

The first place belongs to Italy. But we all know that this is mainly due to the supply of hydrocarbons to the Italian and European markets, whereas the trade between Azerbaijan and Russia is much more balanced and noble, as experts put it. It includes machinery, equipment, food, etc. In other words, all that is vital to the economy of Azerbaijan and the economy of the Russian Federation.

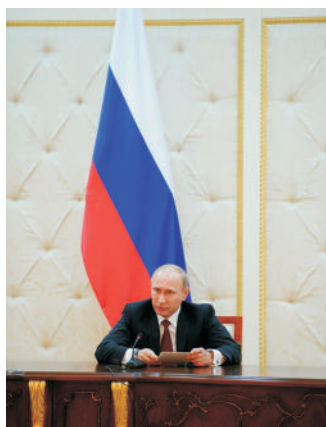
Such high rates are largely facilitated by extensive inter-regional and cross-border ties. Suffice it to that more than 70 regions of the Russian Federation maintain close business relations with Azerbaijan.

Let me note that more than 500 Russian companies operate in Azerbaijan, and their activities cover a wide range of sectors that represent great importance to socioeconomic development. This includes the fuel and energy complex, automotive, finance, insurance activities and healthcare. Although it is well known that this is actually a household level, it is still of great economic importance.

Everybody knows that quite a large number of Azerbaijani citizens work in Russia. Their number has reached a million, more than a million, and if we also add to that the Azerbaijanis who have Russian citizenship, the number will rise to 2 million people.

Russia and Azerbaijan are major international players in the energy market. We are engaged in a mutually beneficial cooperation in this field. I will not repeat that now, but the scope of work is very large and has a tendency to expand. You have just attended the signing ceremony of relevant agreements between the Russian state company "Rosneft" and Azerbaijani counterparts.

We are exploring new areas and formats of cooperation in the energy industry. Today, as you may know and as I have already noted, we have signed agreements, but they have a future of 15 years, perhaps even 20 years. So we have laid a good foundation for cooperation for many years to come.



A special role in the strengthening of our friendly and neighborly relations is played by humanitarian ties. As part of the visit we have approved an interstate program of cooperation until 2015. We have discussed preparations for the Third Baku International Humanitarian Forum, which will take place in Baku from 31 October to 1 November. It is safe to say that in a relatively short period of time since 2011, this forum has become a major social event.

We have paid significant attention in the negotiations to the solution of problems in the Caspian region. We are interested in this region becoming a region of peace and cooperation. There are still many unresolved issues here. They concern security, border delimitation, conservation of biological diversity of the Caspian Sea and so on. We have a vested interest in the fact that all of these issues are addressed and resolved, of course, taking into account the interests of all littoral states.

It is noteworthy that our negotiations coincide in time with a friendly visit to Baku of a detachment of the Russian Caspian Flotilla. It includes the missile ship "Dagestan" and the

small artillery ship “Volgodonsk”. At the end of this year, Azerbaijani sailors plan to pay a return visit to Astrakhan.

Of course, in the course of negotiations we also touched upon current international issues, including, of course, the Nagorno-Karabakh problem. I want to emphasize that Russia actively promotes the early settlement of the conflict, which is only possible through political means.

In conclusion I would like to note that our talks have once again demonstrated the general attitude towards strengthening the all-round cooperation between our countries.

I once again thank all of our Azerbaijani friends and colleagues for the kindness, hospitality and business approach demonstrated in the course of our work today and for the results that have been achieved.

Thank you very much.

During the meeting, President of the Republic of Azerbaijan Ilham Aliyev and President of the Russian Federation Vladimir Putin held a one-on-one meeting and a meeting in an expanded format with the participation of delegations, signed a number of Azerbaijani-Russian documents and made statements for the press.

After the press conference, President of the Republic of Azerbaijan Ilham Aliyev and President of the Russian Federation Vladimir Putin had a discussion at the office of the President of Azerbaijan.

On the same day, President of the Republic of Azerbaijan Ilham Aliyev and President of the Russian Federation Vladimir Putin visited the Highland Park in Baku.



The heads of state went for a walk in the recently commissioned Highland Park. Reconstruction and landscaping work has assumed extensive proportions in Baku these days. The newly-reconstructed Highland Park has turned into a popular place for the residents and visitors of the capital. The park commands spectacular views of the city and the Baku bay.

President of the Republic of Azerbaijan Ilham Aliyev and President of the Russian Federation Vladimir Putin admired panoramic views of the city.

After a walkabout in the Highland Park, President of the Republic of Azerbaijan Ilham Aliyev and Russian President Vladimir Putin reviewed the missile ship “Dagestan” of the Russian Caspian Fleet, which is on an unofficial visit to Baku, and the “Baku” patrol ship of the Azerbaijan Naval Force.

First the Presidents reviewed the missile ship “Dagestan”. The commander of the ship reported to the President. The Russian President welcomed the sailors.



We note that within the framework of Russian President Vladimir Putin's visit to Azerbaijan, a group of ships of the Russian Caspian Fleet has arrived in Baku on an unofficial visit. On the invitation of the Russian side, a group of ships of the Azerbaijan Naval Force will visit Russia in the second half of this year. Then the heads of state arrived at the "Baku" patrol ship of the Azerbaijan Naval Force. The commander reported to the President of Azerbaijan Ilham Aliyev. The heads of state saluted the sailors. The Presidents reviewed the "Baku" patrol ship. Then the captain of the missile ship "Dagestan" presented a gift to heads of state.

President Vladimir Putin asked the ship captain: What is your name?

Captain: Vusal.

Vladimir Putin: Are you Azerbaijani?

Captain: Yes sir!

President of the Republic of Azerbaijan Ilham Aliyev and Russian President Vladimir Putin toured the State Historical-Architectural Reserve "Icherisheher". The heads of state met and talked to the residents of the city and were photographed with them.



During the electric vehicle tour, the Russian President was informed that "Icharisheher" is the pearl of Azerbaijan's history and culture and one of the unique monuments of world cultural heritage. The State Historical and Architectural Reserve "Icherisheher" is a living legend of the history of Azerbaijan. Its Maiden Tower and the Palace of Shirvanshahs have been included in the UNESCO List of World Cultural Heritage Sites. The Russian President was also informed that Azerbaijani scientists had conducted archaeological excavations in "Icherisheher", discovering valuable examples of material culture relating to the history of Azerbaijan. The findings, the most valuable artefacts of Azerbaijani museums, provide ample opportunities for exploring the ancient history of the country.

President Vladimir Putin was treated to the tandir bread. The Russian head of state enquired about the technique of baking the tandir bread. The tour of "Icherisheher" made a pleasant impression on President Vladimir Putin.

On the same day, President Ilham Aliyev hosted a reception in honor of Russian President Vladimir Putin

Addressing the reception, President of the Republic of Azerbaijan Ilham Aliyev said:

- Dear Vladimir Vladimirovich!

Distinguished guests, dear friends!

The visit of the President of the Russian Federation to Azerbaijan is coming to an end. I think the general consensus is that the visit has been very successful and fruitful. We have discussed the issues of bilateral relations and the future development of these rela-



tions. Members of the Russian delegation have had the opportunity to communicate closely and discuss industry-specific issues. Today, a lot has been said at the press conference and during official meetings. Vladimir Vladimirovich and I have conducted extensive negotiations and a broad exchange of views on many issues of bilateral relations and regional matters, security issues and future cooperation between the two countries.

The visit has reaffirmed the strategic nature of our relations, the friendly nature of our relations. We are friendly countries, we are neighbors. We are located in the region of the Caspian Sea, in the Caucasus region. Therefore, the Caspian and Caucasian issues, of course, always have a special place in our relations. Also the successful collaboration, cooperation and coordination of our efforts largely precondition the stability of our region.

We are friends, we are partners. Today's visit has reaffirmed that again. The documents signed will also contribute to the confident, versatile and successful development of our relations.

But in addition to all the official aspects of the visit, I must say that Vladimir Vladimirovich and I have had a lively exchange of views on all matters. In a friendly, open and very cordial atmosphere we discussed the most important issues of bilateral relations. The visit of the President of Russia to Azerbaijan is a landmark event in itself. And such a busy and very fruitful visit, the results of which will be manifested in the future of our relations, is even more important, of course.

Very much has been said today. I wouldn't like to bore you any further. I would like to once again express my gratitude to Vladimir Vladimirovich for accepting the invitation to visit Azerbaijan, for making this visit, for the negotiations and the exchange of views we have had.

I want to thank all members of the Russian delegation for their hard work and wish the people of Russia and the Russian state all the best, and good health and well-being to the President of Russia.

Russian President Vladimir Putin said:

- Dear President of Azerbaijan!

Dear friends and colleagues, I will not repeat everything that has been said. I just want to emphasize that Azerbaijan and Russia have long-term, if not centuries-old, relationship. Our people have always been close to each other, not only through trade. We lived in the same country for many years. And, of course, this could not but leave a mark on our national identities and our culture. This is mutual interaction, complementarity and mutual development. We have just visited one of our small but highly efficient and modern ships. I was surprised to find out that the commander of this ship is



ethnic Azerbaijani. I did not know that. It is one of the modern and very effective units of the Russian fleet as a whole. And this is the case in almost all spheres. We went for a walkabout in the old city. There were Russian people from Novgorod there. They came up to me, to the President, and spoke about how they feel here.

By the way, congratulations to the President of Azerbaijan and all of you, dear colleagues, on the way Baku looks now! Of course, it is a modern, developing and interesting city with its own identity. And this what all of Azerbaijan has turned into in recent years. I want to express my confidence in the fact that not only our conversations and our visit today – which has been very trusting and friendly, of course – but also the entire future, the historical future of the relations between our peoples and countries will be on an upward trend. Of course, much depends on how we are going to work. Much still remains to be done, there are many very complex problems which at first glance seem impossible to resolve. We have inherited them from the past. But if we have good will and desire, if we take on responsibility before our countries and the future of our peoples, then surely all the solutions will be found.

I know how this was treated by President Heydar Aliyev, with whom we had a very good personal relationship. He was a man who certainly made a huge contribution to the development of the Soviet Union and, of course, to the formation of modern Azerbaijan. The current president is continuing his course, including the course towards the development of Russian-Azerbaijani relations.

Let me propose a toast to Russian-Azerbaijani relations and to the President of Azerbaijan.

THIRD SUMMIT OF THE COOPERATION COUNCIL OF TURKIC-SPEAKING STATES

15 – 16 August, Gabala



On 15 August 2013, President of the Republic of Azerbaijan Ilham Aliyev met with President of Turkey Abdullah Gul at the presidential residency in Gabala. The sides discussed the importance of the upcoming Third Summit of the Cooperation Council of Turkic-speaking States in Gabala. It was noted that this event would contribute to bilateral and multilateral cooperation of friendly and brotherly Turkic-speaking countries in the political, economic, humanitarian

and other fields.

President Ilham Aliyev and President Abdullah Gul expressed their satisfaction with the development of bilateral relations between Azerbaijan and Turkey, including the cooperation in the energy sphere. The Presidents also discussed the situation related to the settlement of Armenian-Azerbaijani Nagorno-Karabakh conflict and exchanged views on a number of other issues.

After, President of the Republic of Azerbaijan Ilham Aliyev met with President of the Kyrgyz Republic Almazbek Atambayev at the presidential residency in Gabala. The sides stressed the importance of the upcoming Third Summit of the Cooperation Council of Turkic-speaking States. It was noted that this event would give an impetus to the cooperation between the two countries in political, economic, humanitarian and cultural spheres. The Presidents also noted the development of bilateral relations between Azerbaijan and Kyrgyzstan and pointed to good prospects for cooperation in the transport sector.



The sides exchanged views on a number of other issues.

On the same day, Presidents of Azerbaijan, Turkey and Kyrgyzstan attended a concert within the framework of the Third Summit of the Cooperation Council of Turkic-speaking States.



Before the concert, President of the Republic of Azerbaijan Ilham Aliyev, President of the Turkish Republic Abdullah Gul and President of the Kyrgyz Republic Almazbek Atambayev were presented with gifts on the occasion of the 20th anniversary of the international organization of Turkic culture – TURKSOY.

Then the Presidents of Azerbaijan, Turkey and Kyrgyzstan had a short discussion.

The audience warmly welcomed Presidents Ilham Aliyev, Abdullah Gul and Almazbek Atambayev.

The State Chamber Orchestra named after Gara Garayev and conducted by People's Artist Teymur Goychayev performed music of Turkic-speaking peoples.

Significant attention is paid to the issues of cultural cooperation among Turkic-speaking countries now. Cooperation in this area has been declared a priority by all Turkic states. It is no coincidence that the Summits of Turkic-speaking countries regularly highlight the prospects for cooperation in the field of culture. A contribution to this process is made by the joint organization of Turkic-speaking countries TURKSOY.

The activities carried out by the organization in various cities of Turkic countries every year strengthen the cultural ties among Turkic peoples. The Cooperation Council of Turkic-speaking States is also contributing to a further expansion of relations between Turkic countries.

On 16 August 2013, President of the Republic of Azerbaijan Ilham Aliyev met with President of Kazakhstan Nursultan Nazarbayev at the presidential residency in Gabala. During the meeting, President of Kazakhstan Nursultan Nazarbayev thanked President Ilham Aliyev for the invitation to attend the Third Summit of the Cooperation Council of Turkic-speaking States. Pointing to the progress achieved by Azerbaijan, Nursultan Nazarbayev said that our country had earned great respect in the international arena and fraternal Kazakhstan was proud of Azerbaijan. Nursultan Nazarbayev said that he was witnessing great development in Azerbaijan during the current visit.



President Ilham Aliyev said that Kazakhstan had also achieved tremendous progress in various fields. Noting that bilateral relations between our countries were developing in many areas, the head of state touched upon the role of the energy and transport potential in the further development of both countries.

The sides stressed the importance of the Third Summit of the Cooperation Council of Turkic-speaking States being held in Gabala for a further strengthening of the ties between the two countries and peoples, and exchanged views on the opportunities for expanding the economic cooperation between Azerbaijan and Kazakhstan, including transport and agricultural sectors and exports from Azerbaijan to Kazakhstan.

On the same day the Third Summit of the Cooperation Council of Turkic-speaking States was at the Heydar Aliyev Congress Center in Gabala.

President of the Republic of Azerbaijan Ilham Aliyev met President of Kazakhstan Nursultan Nazarbayev, President of Turkey Abdullah Gul, President of Kyrgyzstan Almazbek Atambayev and Deputy Chairman of the Cabinet of Ministers of Turkmenistan Sapardurdu Toyliyev, who are visiting Gabala to participate in the Third Summit of the Cooperation Council of Turkic-speaking States.



President Almazbek Atambayev of Kyrgyzstan, which hosted the previous summit of the organization last year, thanked President Ilham Aliyev for the excellent organization of the event. He expressed his confidence that the organization would achieve further success in the upcoming period of its activity and said that presidency in the Cooperation Council of Turkic-speaking States for the next year was being transferred to Azerbaijan.

Then the floor was given to President Ilham Aliyev.

Speech by President of the Republic of Azerbaijan Ilham Aliyev

- Thank you, dear Almazbek Sharshenovich!

I express my gratitude to you for the transfer of Presidency in the Cooperation Council of Turkic-speaking States for the next year to the Republic of Azerbaijan.

Distinguished heads of state, ladies and gentlemen, dear friends! I sincerely welcome all of you to Azerbaijan.

First of all, I want to express my gratitude to the Kyrgyz Republic and President Atambayev personally for the successful Presidency in the Cooperation Council over the past year. I think that over the past year our collaboration has become even deeper. The successful leadership of Kyrgyzstan has given a powerful impetus to the activities of the Cooperation Council of Turkic-speaking States. I am confident that our cooperation will further deepen, expand and rise to a new level in the coming years. I warmly welcome all our guests to the ancient Azerbaijani city of Gabala.

I remember the last time the summit was held in another ancient Azerbaijani city - Nakhchivan. The holding of these summits in different cities is a kind of exploratory nature, while at the same time further strengthening the solidarity between our countries and peoples. Turkic peace in the world increases, the Turkic world covers a large geography. Of course, our people have yet to get to know each other, cooperation should be carried out more intensively.

I remember that the previous summit in Azerbaijan was held in another ancient Azerbaijani city – Nakhchivan. The fact that these summits are held in different cities has a somewhat familiarization function. But at the same time, it further strengthens the solidarity between our countries and peoples. The Turkic world is strengthening on the planet. The Turkic world covers a large geographical space. Of course, our peoples should get to know each other even better and our cooperation should be carried out more broadly.

I am very proud to say that when the summit was held in Nakhchivan, a new format of cooperation among Turkic-speaking states was established. The organization of such a format within the Cooperation Council of Turkic-speaking States opened up a new stage of our cooperation. The third summit is now being held. I am confident that these summits will be held regularly in the future.

Our peoples are linked by a common history, culture and values. For centuries, our peoples have maintained a close relationship with each other, lived and worked together, and always supported each other. And today, as independent states, we are and should be together on all issues. I believe that the main objective of the Cooperation Council of Turkic-speaking States is to further strengthen the unity between our countries and peoples.



We are successfully carrying out activities in the bilateral format. In the economic sphere we are engaged in effective cooperation. Our countries always support each other in the international arena and within international organizations, which is natural. After all, fraternal peoples must always be next to each other. In the United Nations, the Organization of Islamic Cooperation and other international organizations we mostly advocate a single position. Of

course, this further increases our strength and makes us stronger.

Today we will work in several directions. We will discuss a number of important issues. Of course, the key issue for the successful development of our countries is that of regional security.

Our countries are contributing to regional security. This is a very important matter. Our peoples live in peace, tranquility and stability. We have to make sure that our region always remains a region of peace and tranquility. Unfortunately, Azerbaijan has been suffering from the Armenian occupation for many years. Twenty percent of Azerbaijani lands are under occupation. Our internationally recognized territorial integrity has been violated. Our people have been exposed to a policy of ethnic cleansing. All norms of international law have been flagrantly violated.

The soonest and just settlement of the Armenian-Azerbaijani Nagorno-Karabakh conflict on the basis of international law will put an end to this injustice and, at the same time, will contribute to regional security. This conflict must be resolved on the basis of international law and the territorial integrity of Azerbaijan. The joint declaration to be adopted today reflects these principles, for which I wish to express my gratitude to my colleagues.

Yesterday we attended a wonderful concert, which reflected a part of our culture. In essence, it was a concert of friendship and unity of Turkic culture. Our cultures are closely related to each other. We have common roots and holidays. Our languages are similar to each other. The humanitarian sphere forms the basis of our cooperation. In other words, if this were not the case, then perhaps our cooperation would not be developed to the same extent. Therefore, we should pay a lot of attention to the work in the humanitarian field, of course. I want to emphasize the activities of TURKSOY. TURKSOY is actively working not only in Turkic-speaking countries, but also in all Turkic lands, thus contributing to the unity of the Turkic world. I am very pleased that the initiative put forward by Azerbaijan is already being implemented. The soonest establishment of the Foundation for the Support of Turkic culture and preservation of the Turkic heritage would be a very important development.

At the same time, the potential of our countries in the economic sphere is growing by the year. Our countries are working closely with each other. Various economic projects are being implemented. I can say that Azerbaijan, for its part, is making effort for the successful development of economic and infrastructure projects. The implementation of ambitious infrastructure projects in the region started from Azerbaijan. The construction of the Baku-Tbilisi-Ceyhan oil pipeline paved the way for the opening of international energy and transport corridors. For the first time in history, the Caspian Sea was connected to the Mediterranean. This historic event was a great achievement in itself. But at the same time it has led to the realization of other important projects. The activities in the transport and

energy sectors cannot be separated from each other today. The revitalization of the Great Silk Road is already a reality. We are enriching this Silk Road and improving it with new infrastructure projects.

The cooperation in the oil and gas sector brings our countries closer together. Our countries have natural resources, sophisticated infrastructure and excellent export routes. The consolidation of these efforts, of course, will lead to the strengthening of the Turkic world. Azerbaijan is already playing the role of a transit country for our brothers, for the countries located on the eastern shore of the Caspian Sea. This is also an important issue. So these projects bring our peoples and economies closer together.

Our cooperation in the oil and gas sector is multifaceted. All countries are successfully cooperating with each other. Of course, one of the issues on the agenda today is the improvement of the transport infrastructure. A great deal has been done through joint efforts in this direction – both in the bilateral and trilateral formats. The implementation of various transportation projects, of course, requires a lot of resources. But the economic development of our countries is very rapid. The financial position of our countries is also secure. Therefore, we should definitely allocate funds for the implementation of major transportation projects in the future too. Among them, I want to emphasize the Baku-Tbilisi-Kars railway connecting Europe with Asia. This railway will link continents. Our countries will become transit states. This railway will serve our peoples for centuries to come. This is a huge geopolitical and geo-economic project, a project of cooperation. I am confident that we will celebrate completion of this project in the near future, next year, thus reviving the historic Silk Road.

There are other projects as well. I am aware that member-countries of the Cooperation Council are implementing major transport projects that are of great importance for every country. Together, these projects are creating a new transport map of the region.

Today, our countries are developing successfully and confidently. Unfortunately, the developments in different parts of the world, including the Muslim world, are going in different directions. There are confrontations, civil wars and other negative phenomena. But in our region, in the Turkic world, there is stability and development. This is a great achievement and a great asset, especially when we consider that the financial and economic crisis is still ongoing in the world. I think that the successful development of our countries, the stability and progress of countries are a great achievement of our people, a great asset of our countries. We should cherish this treasure, cherish and develop it together. The 21st century must be a century of the Turkic world. Our countries have strong potential, joint activities and such a very important format of cooperation as the Cooperation Council. We need to strengthen these positive trends. I believe that today's summit serves these ideas. The summit will produce excellent results.

Now I suggest that we adopt the agenda. The agenda is in front of you. If there are no other proposals, the agenda is considered adopted.

I would now like to invite the distinguished heads of state and heads of delegations to make their remarks. The floor is given to the President of the Republic of Kazakhstan, Mr. Nursultan Nazarbayev.

Speech of President of the Republic of Kazakhstan Nursultan Nazarbayev

- Dear ladies and gentlemen!



I want to share with you some of my thoughts regarding the present and future activities of the Council. First of all, in order to raise the profile of the Turkic Council, we should make every effort to form its institutional framework as an organization. To do this, we should speed up the ratification of some of the key documents. The activities of the main working body of the Turkic Council, the Secretariat, are extremely important for us. This work is being done

thanks to the hard work of the first Secretary General of the organization, Halil Akinci. We appreciate his work towards establishing cooperation between Turkic states.

Second, it is necessary to strengthen the mutually beneficial economic cooperation between brotherly nations and neighboring countries. At present, the gross domestic product of six independent Turkic states constitutes \$1,150 billion. Despite that, the trade turnover between our countries does not correspond to our potential. For example, according to data as of 2012, the volume of trade between Kazakhstan and Turkic states amounted to only \$8 billion, which is only 6 per cent of our turnover.

At the end of last year, Kazakhstan adopted a development strategy up to 2050. We have set ourselves the task of becoming one of the world's 30 most developed countries. This is a major and ambitious goal. But we have all the prerequisites for achieving it. Systematic work is under way in our country on the program of accelerated industrialization. In the past 18 months alone we have commissioned 560 projects totaling around \$14 billion. More than 60,000 new jobs have been created as a result. We have completed the work in the first five years and will continue it over the next five years.

We attach great importance to the use of new energy sources and the development of a "green economy". As you know, there are plans to conduct the International Exhibition "Expo-2017" in Astana. This has special significance. I am sure that all Turkic-speaking states will take an active part in this large-scale event. This helps open up opportunities for the development of tourism, which is an important direction for all of us. It is necessary to exchange experience in this sphere, train professionals together and identify directions of a common way forward. To this end, I suggest establishing a working group within the Secretariat for the development of tourism.

Third, we need to pay attention to the development of communications among member-states of the Turkic Council.

Transport and communications should form the basis for the development of our economic power. It is no coincidence that this meeting is dedicated to this topic. We plan to double the transit through Kazakhstan by 2020 and increase it 10 times by 2050. In the future, we plan to raise cargo transit through our country to 50 million tons a year. The necessary work is being done to achieve that.

In 2011, together with Russia, China and Germany, we launched container train "Chong-

qing-Duisburg”, which extends from China to Germany via Kazakhstan. If we compare it to the sea route, it is half as short. There are plans to build new air, sea, motor, railways and pipelines that will connect Europe to the Pacific Ocean through our region.

Trade with China is reaching \$30 billion. On the border with China there are our “Eastern Gates”, the center for cross-border cooperation “Khorgos”. Across this border we are implementing projects on expanding the Aktau seaport. These projects play the role of the “Western Gate”, which gives us access to the Caspian region and beyond – to Russia and Europe. Thus, our countries can use the paths through Kazakhstan to Europe. In the future, terminal infrastructure will be built in the Chinese port of Lianyungang on the Yellow Sea. Thanks to the development of cooperation between the seaports of Turkey, Azerbaijan and Kazakhstan, we have had the opportunity to increase the transport capacity of the Caspian Sea. In this regard, we support the holding of the first meeting of the ministers of transport and communications. We know that this meeting took place recently and look forward to some positive decisions.

In 2015, we plan to open the transcontinental automobile corridor “Western Europe-Western China”, which passes through Kazakhstan. It is a 2,700-km corridor, and the project will be realized in 2015. In May of this year, we officially docked the Kazakh-Turkmen section of the Kazakhstan-Turkmenistan-Iran railway. Next year we will be able to reach the port of Bandar Abbas, when Iran completes work on its territory. We look forward to the soonest commissioning of the Baku-Tbilisi-Kars railway. Prior to this, all our transport ministers and heads of state have to resolve all the necessary issues. There are various obstacles that need to be addressed. This route is very important for us. Also quite important is the project of multimodal container trains within the TRACECA international transport corridor. To do this, we must prepare the conditions for a new port in Aktau. To further increase bilateral trade, we need to strengthen relations in the field of customs. To do this, we must effectively use international advanced technology.

Fourth, it is necessary to further develop the cooperation between brotherly countries in the spheres of education, science and culture. We should widely promote such qualities of the Turkic world as tolerance, humanism and morality.

We must actively participate in the work of TURKSOY, the Turkic Academy, the Foundation of Turkish culture and heritage. The Turkic Academy has great potential in facilitating the exchange of knowledge and experience, joint training of specialists in Turkic languages and studying the Turkic heritage. On the decision of the first summit of the Turkic Council in Almaty, the “Turkic world” almanac is published every year. You have probably received it. Also of great importance is the “Anthology of Turkish education” prepared by the Academy. This year, the city of Turkestan will host the first international symposium called “The Turkic world today: the real situation and prospects for development”. We expect scholars from all Turkic-speaking states to take an active part in this important event. A key role in the promotion of art and culture of the Turkic peoples is played by TURKSOY. This year we will celebrate the 20th anniversary of the establishment of this organization.

Therefore, dear friends, dear brothers, we have specific work to do to expand our economic cooperation and to show our peoples and the whole world that we are doing useful work.

Dear colleagues and brothers! At today’s meeting we have passed presidency in the organization from our Kyrgyz friends on to Azerbaijani brothers. In this regard, we express our

gratitude to President of Kyrgyzstan Almazbek Atambayev and wish President of Azerbaijan Ilham Aliyev every success in the development of the Council's activities. We wish you success and support this work. Let the unity of our countries be strong and our independence eternal.

I wish you all happiness and prosperity! Let Turkic states be united!

President Ilham Aliyev: Thank you. And now the floor is given to the President of Kyrgyzstan, Mr. Almazbek Atambayev.

Speech by President of Kyrgyzstan Almazbek Atambayev

- Dear colleagues!



We have the same history and, God willing, our future will also be common. Nursultan Nazarbayev supported one idea in Bishkek last year, and he has just spoken about it again – the idea of the railway. If we implement it, it will be good because this railway will link Central Asia, Azerbaijan and Turkey. Going in the opposite direction, i.e. starting in Turkey, this road could pass through the territory of Azerbaijan, Kazakhstan, Kyrgyzstan and further to China's Kashgar. It is also home to many Kazakhs and Kyrgyz, and we could do them a great favor. And then the cooperation between our peoples could increase. This is a very good idea. If we implement these ideas and projects, it will help to strengthen our unity. If we build these roads, our peoples will get closer to each other and our future will be united.

I think that instead of tackling many different projects and not completing them, we should undertake smaller but strong and very important projects. If we all make effort and finalize these projects, it would be a great contribution to our common good in the future.

Nursultan Nazarbayev has said a lot as an elder here, and I do not want to repeat that. I wholeheartedly subscribe to his words. It is my hope that there will come a time –either for us or for our children –when we will talk to each other without interpreters.

I think that what we are creating now, the unity of Turkic states, will produce a very good result in the future. We, Turkic peoples, are proud of Turkey, Kazakhstan and Azerbaijan today, which serve as examples of economic development for the entire world. Your countries have made great achievements. We feel proud and admire you. I would like to wish the countries you are heading to flourish, develop and achieve even better results in the future.

We do hope that such good projects as the railway I mentioned will be brought to the end in the future.

God bless us! Thank you all!

President Ilham Aliyev: And now the floor is given to the President of Turkey, Mr. Abdullah Gul.

Speech by President of Turkey Abdullah Gul

- Dear brothers! Dear Presidents! Dear ministers!



I am very happy and pleased to be in Gabala, one of the historical cities of the Land of Fire, Azerbaijan, where the Nakhchivan Declaration was signed, becoming a declaration on the establishment of the Turkic Council. I express my appreciation and congratulations to my dear brother, President Aliyev and our Azerbaijani brothers who are conducting the third summit of the Turkic Council four years after the historic Nakhchivan summit.

We are proud to see every-day and comprehensive development of Azerbaijan under the wise leadership of my dear brother President Ilham Aliyev. Your country is taking very important steps. I also want to thank you for receiving us in the city of Gabala, where thanks to the excellent architectural activity you have raised this natural beauty to the top of the mountains. We are having a truly great time among the natural beauty here.

The summits of the Turkic Council are the most effective indicator of our unity, solidarity and the shared dream of our fraternal peoples. The decisions and messages we will adopt will serve the common aspirations and expectations of our fraternal peoples. In this sense, I am very grateful to my dear brother, Mr. Nazarbayev, who has made a very important contribution to turning the process of summits we started in 1992 into an organized structure.

His truly sincere efforts have made a huge contribution to the formation of the organization.

At the same time, I am very grateful to my dear brother, President of Kyrgyzstan Mr. Atambayev who organized last year's summit, for the constructive role he plays within the Turkic Council. On the other hand, I do hope that our Uzbek and Turkmen brothers take the seats they very much deserve in a very short time. I am very pleased that our brother, Deputy Prime Minister of Turkmenistan, is also among us today.

The Turkic Council we established in 2009 thanks to the Nakhchivan declaration has strengthened as an organization in a short time. My dear brothers, I also want to thank Secretary General, Ambassador Akinci and the secretariat staff for the systematic and decisive activities on the basis of strong political will.

Of course, the constant strengthening and development of other units of the Turkic Council, as my dear brother Mr. Nazarbayev has said, such as TURKPA, the Turkic Academy and TURKSOY, is our greatest wish.

Dear brothers! The "Turkic world" is a concept that has a deep historical significance. The values bequeathed to us by our common ancestors, as well as our consciousness developed by culture, have defined not only our past, identity and mentality, but also our dreams focusing on the future. Today, the values related to a single nationality include not only our

common language, a common religion, a common history, a common culture or our countries, but also our dream and determination to build a bright future together. The genuine solidarity between our peoples will never be based on ethnic, separatist and aggressive foundation. The Turkic world forms an important part of a great culture. The cooperation and solidarity demonstrated between us, the Turkic states, will undoubtedly contribute to peace, stability and prosperity in the African-Eurasian region.

The cooperation between our countries, which we are carrying out under the slogan of “six states, one nation”, continues to develop on the basis of equality and mutual respect. On the basis of this brotherhood and the spirit of unity, I have paid 19 visits to brotherly Turkic states as President in the last six years. At the same time, my brothers Presidents have repeatedly honored us by visiting our country.

The close ties we are showing at the level of Presidents, of course, have given an impetus to other visits of cooperation.

Many projects have been implemented in this area. The solidarity between us both at the regional level and within international organizations has always served as an example. We have constantly supported each other, showed the example of strong solidarity everywhere and considered each other’s success as a source of pride for others.

Nowadays, the need for cooperation and solidarity is stronger than ever before. The joint struggle against problems and difficulties we are facing and the use of equal opportunities is feasible only through collective effort. The Cooperation Council of Turkic-speaking States emerged as a result of broader cooperation and solidarity between our countries and an established mechanism of discussions. I have no doubt that within the Cooperation Council of Turkic-speaking countries we will carry out important projects that will help us materialize the great potential of the Turkic world.

During the Almaty summit we held discussions on economic cooperation, while in Bishkek we spoke about cooperation in education, science and culture. After both summits, important steps were taken in these areas. Our honorable ministers and those responsible for this have done effective work to implement our instructions.

To facilitate extensive collaboration and integration among countries and nations in the globalizing world, the main issues are effective transportation and communication. The integration of the Turkic world in the economic and cultural spheres is closely connected with the implementation of projects that will connect the transport infrastructure of our countries. Therefore, the choice of cooperation in the field of transport as the theme of discussion at the Gabala summit is a very successful one. Our countries are located on the strategic line which passes through the Caucasus, Central Asia and China, linking Europe with the East and East Asia. Turkey is working on the security of the railway routes that will become an alternative to the current lines between the East and West. The most important part of this project, which is called a “Modern Silk Road” or a “common corridor”, is the Baku-Tbilisi-Kars railway project we are carrying out in conjunction with Azerbaijan. Work on these major projects, which will change the situation in the region, is powering ahead. The Baku-Tbilisi-Kars railway, by creating the possibility of high-speed communication between member-countries of the Cooperation Council of Turkic-speaking States, will make a great contribution to the development of our economic and trade ties. Great efforts are being made to complete the Baku-Tbilisi-Kars railway project as soon as possible. Our

transport ministers hold regular meetings. On 15 August, our transport ministers provided an update on the situation. It is also important to extend this project – the accelerated development of the existing sea link between the ports of Baku, Aktau in Kazakhstan and Turkmenbashi in Turkmenistan. An important step in this direction has been made by the Memorandum of Understanding on the establishment of maritime traffic between the sister ports of Baku, Aktau and Samsun signed within the framework of a meeting of our Ministers of Transport in Baku in early July. Our goal is to include the port of Turkmenbashi in this framework. Following the completion of the Baku-Tbilisi-Kars railway, which forms the basis of a “common corridor”, there will be a direct link from China to Europe via Central Asia. The Baku-Tbilisi-Kars railway project will be completed in 2014. In October of this year, we will open the “Marmaray” project, which will cost around \$4.5 billion. A train departing from Western Europe will reach the shores of the Caspian Sea and then, after passing through the port of Aktau, reach Shanghai and Seoul. This will create a direct rail link from England to China. The construction of this road will improve the welfare of our peoples. It will be a really big project of strategic importance.

My dear brother Nursultan Nazarbayev raised these issues a little earlier. We have discussed the issue of Kyrgyzstan joining the project Kazakhstan has a great interest in. I have no doubt that we, members of the Cooperation Council of Turkic-speaking States, will have the opportunity to strengthen our cooperation thanks to the railway lines. We are all greatly interested in this project. Excellencies have shown great interest in this issue. Finished products from China will also be transported via this railway. We can actually say that the goods are ready. Inshallah, following Turkmenistan’s accession to this project our countries will actually have a railway communication.

On the other hand, overland communication between our countries is also very important. It is important to simplify ground transportation, standardize operations and carry out the necessary work at the most important customs checkpoints. If we do not modernize our customs services, then there will be congestions on the railway and roads. To do this, our customs offices should be upgraded to the level of a single standard. I think that this is important for the development of our economic and trade cooperation. The throughput capacity of ports on the Caspian Sea will soon be increased, because such ports already exist in Turkmenistan and Kazakhstan. The start of maritime traffic through the ports must be our priority in this area. All these are specific projects. In addition, these are projects that will serve all of us both individually and as a whole.

Dear brothers! The shift of the center of global economic potential from the Atlantic towards the Pacific Ocean is undeniable. This has naturally increased the geo-economic importance of the Turkic world. The economic and demographic potential of Turkey, Azerbaijan, Turkmenistan, Kyrgyzstan, Kazakhstan and Uzbekistan with a total territory of 4.8 million square kilometers is seventh largest in the world. Our population of 140 million people is in ninth and total production value of \$1.5 trillion in 13th place in the world. The economic indicators of the Turkic world fall short of the geographic and demographic potential it has on a global scale. This also points to the importance of a continuous expansion of our economic development. If we look at history, we can see that in the days when Turkic states were strong and powerful, the Silk Road was the main route of global trade. And when the Turkic world stayed away from the global economy and trade routes, its impact on the political and cultural spheres decreased. Those familiar with history know that. In this sense, the Silk Road is the key to economic prosperity and greater political influence of the Turkic world. Therefore, the revival of the Silk Road must be a strategic priority.

In the modern sense, the Silk Road means a revival of the historic Silk Road, this time with broad transport arteries, energy corridors and pipelines. Our main priority should be the transformation of the Turkic world into one of the central regions of the global economy through various projects. I believe that thanks to the projects we will implement in the next few years we will complete an important stage in this area. Your support in this matter, dear brothers, is the guarantor of that.

Distinguished heads of state, dear members! We are all interested in maintaining political and diplomatic solidarity between us, member-countries of the Cooperation Council of Turkic-speaking States, at the highest level. The top priority of foreign policy issues for the Turkic world is the Armenian-Azerbaijani Nagorno-Karabakh conflict. The current situation, when 20 percent of Azerbaijani lands are under occupation, is unacceptable. We will do our best for a speedy and peaceful resolution of the conflict within the framework of the territorial integrity of Azerbaijan. It is our fraternal duty to support you until cessation of this illegal occupation and aggressive policy. To date, Azerbaijan has organized many Turkic summits. Our biggest dream is to conduct another summit in one of the beautiful cities of Karabakh after the settlement of the Nagorno-Karabakh conflict. I am sure that nature there is as beautiful as here.

Dear brothers, dear Presidents! Our biggest dream is that all countries of the Turkic world are represented at the Fourth Summit of the Cooperation Council of Turkic-speaking States, which we will hold in Turkey next year. In this sense, we will look forward to the participation of Turkmenistan and Uzbekistan in the next summit. With these feelings and thoughts I cordially greet you, dear Presidents and Ministers and wish all our fraternal people happiness, prosperity and peace!

President Ilham Aliyev: And now the floor is given to the Deputy Chairman of the Cabinet of Ministers of Turkmenistan, Mr. Sapardurdu Toyliyev.

***Speech by Deputy Chairman of the Cabinet of Ministers of Turkmenistan
Sapardurdu Toyliyev***

- Mr. Chairman! Excellencies! Ladies and gentlemen!

Please allow me to convey to you and all the participants of the Third Summit of the Cooperation Council of Turkic-speaking States greetings and gratitude for the invitation on behalf of President of Turkmenistan Gurbanguly Berdimuhamedov, and wish you all success and prosperity.

I am honored to address such an important and significant event. We all have a common heritage by strengthening which we can further deepen the all-round cooperation among our peoples in the interests of peace and stability in the region and around the world.

According to modern linguistic science, more than 100 million people around the world speak a Turkic language. The unity of language, mind and enhanced integration further unite us and contribute to greater understanding.

Dear participants of the meeting! Modern Turkmenistan is a dynamically developing state. The course of the President of Turkmenistan is aimed at innovation, industrial development of the country and creation of a competitive economy, which should serve as the foundation of social welfare.

Turkmenistan is actively mastering the best international practices, attracting new technology, studying innovation and widely introducing it to practice. In a relatively short period of time we have built our economy in line with international standards and created a favorable system of international relations based on the principles of neutrality, mutually beneficial cooperation and humanism.

Turkmenistan is an integral part of the Turkic world, whose cultural heritage has made an invaluable contribution to the global civilization. The development of our cultures at the present stage, the communication of our cultural heritage from one generation to another is a continuation of self-renewal of our civilization, which ensures its sustainability.

For example, the symbol of unification of our peoples is the Great Silk Road, the importance of which has been increasing over time not only because it is reborn in a modern format, but because a commonness of history and culture is emerging in our minds.

One of the factors in the preservation, study and promotion of our common cultural heritage is the humanitarian contacts.

Turkmenistan has a wealth of experience in international cooperation, much of which belongs to cooperation with Turkic-speaking countries. A confirmation of the unity of our peoples is the annual celebration of the Turkic holiday of Novruz. I would like to emphasize the grand celebration of Novruz in the ancient Turkmen land. This event is yet another testament to the immutable historical and cultural ties between our nations aimed at establishing peace and harmony in the region.

Speaking of cultural and humanitarian cooperation, it is necessary to note the active participation of representatives of Turkic-speaking countries in scientific and cultural events held in Turkmenistan. Days of culture, scientific conferences, exhibitions and meetings are held throughout the year. The literary and philosophical heritage of our classics are studied and translated. Thus, dozens of classical works of Turkmen poetry by Molla-Nepes and Andalib have been translated into Azerbaijani and published. On the eve of the 290th birthday anniversary of great Turkmen poet Magtymguly, Azerbaijan and Turkey conducted days of poetry dedicated to his classical works. In May of this year, we attended the presentation of a book by President of Turkmenistan called "Medicinal Plants of Turkmenistan" in the Kazakh language in Astana.

Our countries have been stepping up scientific cooperation with every year. Turkmenistan has signed agreements on scientific cooperation with almost all the Turkic-speaking countries. Today, these relations are characterized by extensive contacts among scientific organizations and scientists. On 30 May 2013, the Government of Turkmenistan and the Turkish Agency for Cooperation and Coordination (TICA) signed a protocol on cooperation in the search for the tomb of Soltan Alp Arslan and the construction of his mausoleum.

Over the past year, the scientific events in our country have been attended by hundreds of scientists from research centers and universities of Azerbaijan, Kazakhstan, Kyrgyzstan, Uzbekistan and Turkey. Young Turkmen are getting acquainted with the culture and science of fraternal peoples by studying at the universities in Kazakhstan, Kyrgyzstan and Turkey. Representatives of these fraternal peoples study in Turkmenistan. We are convinced that further development of scientific and technical relations between our countries, the identification of promising innovative, scientific and technological areas will contribute to further growth and improvement of multilateral relations.

Dear participants of the meeting, in the conditions of globalization and modern challenges, our civilization has preserved its original force, is moving forward and educating the younger generation in the spirit of humanistic values. I am convinced that our meeting in the hospitable land of Azerbaijan will bring real benefits and serve to further develop the process of integration among our states, spiritual enrichment and rapprochement of our peoples.

Thank you for your attention.

President Ilham Aliyev: And now the floor is given to the Secretary General of the Cooperation Council of Turkic-speaking States, Halil Akinci.

Speech by Secretary General of the Cooperation Council of Turkic-speaking States Halil Akinci

- Thank you, Mr. President! Dear Presidents!

Dear Deputy Chairman of the Cabinet of Ministers of the Republic of Turkmenistan!

Dear ministers and other participants of the meeting!

I am honored to address the Third Summit of the Cooperation Council of Turkic-speaking States in Gabala. After the first in the city of Almaty in 2011, where issues of economic cooperation were discussed, we held the second summit last year to discuss the cooperation in scientific, educational and cultural spheres. And this year we have discussed the issues of international transport.

Over the past year following the Bishkek Summit, the Secretariat has sought to achieve the targets set in accordance with your instructions, continued the implementation of cooperation based on close ties and aimed at obtaining specific results.

The goal is to transform the existing comprehensive bilateral cooperation between member-states into an expanded multilateral cooperation. For three years we have been striving to remove the obstacles in the way of our cooperation and then take important steps to strengthen this cooperation. At the same time, we identify new areas of cooperation and gather all of our work in a single document. By using this method, we try not to cause harm to the existing laws of our member-countries.

The aspects I will mention in my speech are present in a more than 300-page report I have submitted on the annual activities. It contains detailed information.

More than 20 extensive meetings were held between the summits in Bishkek and Gabala. In general, I have participated in most of more than 100 events held in different cities. Six meetings were organized last year. Within this framework, along with the economic cooperation, we continued cooperation in scientific, educational and cultural spheres.

Close cooperation with our respective structures, such as TurkPA, the Turkic Academy and TURKSOY, has been continued. On the other hand, after the establishment of the Secretariat, another important issue is to give TURKSOY, which provides great support for the development and promotion of a common culture, a sustainable status with international consent and the protection of workers' rights.

A lot has happened since the Bishkek summit. A Union of Turkic Universities has been set up and the first meeting of the Committee of common terminology has been held. The decisions passed include provision for general use in research works of the Latin alphabet based on the alphabet approved at the first Turkological congress held in Baku in 1926. In addition to the accepted general terms, this alphabet is used in the correspondence of the Secretariat and related entities. Given the differences in place names in Turkic languages, the agenda of the committee includes preparation of a map of place names in a common Turkic language with the support of the Turkic Academy.

Another important point is the ongoing process of cooperation between the Diasporas of member-countries. We have a lot of Diasporas, and if they join forces, their voice will be heard more effectively. The meetings of the leaders of the Diaspora Committee held in Baku and Ankara adopted a strategy of joint activities of Turkic-speaking Diasporas.

The First Forum of the leaders of Diaspora organizations of member-countries of the Cooperation Council of Turkic-speaking countries held in Baku in June was attended by over 600 Diaspora representatives from nearly 50 countries. In the future, we plan to create a regional structure in this area.

Distinguished heads of state! In accordance with your instructions, we have intensified our efforts in the transport and customs areas over the past year. Work is continuing to reduce the waiting time at the customs border and to extend the system of "one window". Within the framework of cooperation in the transport sector, transport ministers gathered in Baku this year. The attending transport ministers signed a protocol on cooperation. In order to address the emerging problems, the meeting decided to establish a coordination structure at the level of deputy ministers.

Transport and customs are areas of joint cooperation. The soonest completion of Silk Road, "Caravanserai", Baku-Tbilisi-Kars and "Marmaray" projects carried out by member-countries at the international or regional level is essential to our common interests. The development of transport routes through the Caspian Sea will transform member-countries of our organization into a global transit and trade center. The issue of improving the legislation of member-states is now on the agenda.

In the time between the last two summits, issues of foreign policy cooperation have come to the foreground. The foreign ministers of Turkic-speaking countries met informally in New York and Cairo. A good example of the growing cooperation in foreign policy is the fact that member-countries voted in the same manner at the UN General Assembly.

The Protocol on Cooperation signed on by foreign ministers at the Third Summit of the Cooperation Council of Turkic-speaking States in Gabala on 15 August will serve the development of our relations in this field. The participation of one Turkic state in the UN Security Council at all times and the UN Security Council's condemnation, on Azerbaijan's initiative, of the attack on the Turkish embassy in Somalia are of great importance from the point of view of defending our common interests. The first phase of discussions of customs issues among member-states in Baku in April is an example of the expansion of our foreign political cooperation. After the meeting, our common position on Afghanistan was announced by the Minister of Foreign Affairs of Kyrgyzstan at the ministerial conference within the framework of the "Istanbul Process" in Almaty.

The agenda of the Secretariat includes the expansion of cooperation with third parties. Within these frames, an observer status has been obtained at the Organization for Economic Cooperation. An official request for observer status has been sent to the Organization of Islamic Cooperation. Along with this, there is a need for greater support of member-countries for the initiative to obtain an observer status at the UN General Assembly.

On the other hand, it would be a useful to include Turkmenistan and Uzbekistan, which are potential members of the Council and are invited by the Secretariat to all its meetings, in the process of cooperation. The ministers of transport and other ministers are awaiting the instructions of the heads of state in respect of the accession of Turkmenistan and Uzbekistan to technical meetings. There are positive decisions on this issue.

As you know, we rely on the support of member-countries in all spheres. Along with the agreement on financial basics signed at the Bishkek summit in 2012, it was necessary to complete work in all member-countries on the founding treaties of the Foundation of Turkic cultural heritage and the Turkic Academy.

Distinguished heads of state! As you will see in the books distributed to you, the Turkic Academy has published important works in the last three years. Along with this, the Turkic Academy was instructed to prepare books on the teaching of general Turkic history and literature in schools. The approval and implementation of the agreement on the activities of the Turkic Academy as an international entity will further enhance its influence. After the Gabala summit, the Secretariat will rapidly develop this structure and continue the coordination between relevant organizations of member-countries to discuss the agenda. Within this framework we will work to implement new assignments given by the respected heads of state in Gabala. We will organize meetings of ministers of education and tourism, start a new process of cooperation between foreign policy structures, conduct competitions among universities of the Turkic world, hold meetings of ministers and expand cooperation with third parties. All this work will be documented, so our work will be continued.

I take this opportunity to express my gratitude to all the Secretariat staff. I express my gratitude for the support of the Secretariat by member-states. The Secretariat congratulates Kyrgyzstan, which has completed the second Presidency at the summit, and Azerbaijan, which has taken over this mission.

Also, I would like to thank the host, President Ilham Aliyev, for the warm hospitality.

Dear heads of state! In October last year, we held a ceremony of official opening of our office building with the participation of President Abdullah Gul and President of the Republic of Kazakhstan Nursultan Nazarbayev. We raised the flag, a symbol of Turkic unity, which was adopted at the Bishkek summit.

At that ceremony we left two flagpoles empty for the national flags of Turkmenistan and Uzbekistan. I express my appreciation to the Deputy Chairman of the Cabinet of Ministers of Turkmenistan, Sapardurdu Toyliyev, for participating in this summit. I want to remind him that one empty flagpole is waiting for the flag of Turkmenistan. During the concert held on 15 August we celebrated the 20th anniversary of TURKSOY. In this regard, I congratulate the Secretary General and the staff of TURKSOY on the work done in the name of the Turkic world.

I also express my gratitude for the Declaration to be adopted now and for the decision on the duration of my credentials to be signed by the Presidents.

President Ilham Aliyev: Thank you. And now we will start the signing ceremony.



President of the Republic of Azerbaijan Ilham Aliyev, President of Turkey Abdullah Gul, President of Kazakhstan Nursultan Nazarbayev, President of Kyrgyzstan Almazbek Atambayev and Deputy Chairman of the Cabinet of Ministers of Turkmenistan Sapardurdu Toyliyev signed the Declaration of the Third Summit of the Cooperation Council of Turkic-speaking States and the decision on the duration of the credentials of the Secretary General of the Cooperation Council of Turkic-speaking States, Ambassador Halil Akinci.

President of the Republic of Azerbaijan Ilham Aliyev summarized the Third Summit of the Cooperation Council of Turkic-speaking States.

Closing speech by President of the Republic of Azerbaijan Ilham Aliyev

- Distinguished guests, the signing ceremony has been completed. The summit is also drawing to a close. I want to express my deep gratitude to our dear brothers, heads of delegations for their participation in this summit in Gabala. I would like to express my confidence that cooperation between us would be further strengthened after this summit and very serious projects will be implemented. I am sure that the valuable thoughts voiced in the speeches today will enrich our work and the implementation of these proposals will enable us to rise to a new level of cooperation. I would like to point out to a few issues related to the proposals and our future activities in general. The cooperation in the economic sphere, as has already been mentioned, has a great future. Today, the economic development of our countries is very rapid. Once again I would like to note that despite the economic and financial crisis, our countries are steadily building up their economies. As for Azerbaijan, over the past 10 years Azerbaijan's economy grew more than three times, and this growth has been very impressive. Our economy is already diversified and competitive. According to the most influential economic structure of the world, the World Economic Forum, the Davos Forum, the economy of Azerbaijan is ranked 46th in the world for competitiveness.

The economic reforms carried out and the rich natural resources serve the development of our country. Therefore, there are new opportunities for the deepening of cooperation in the economic sphere. Azerbaijan is implementing investment projects in the country and abroad. I think that the friendly and fraternal relations existing between our two countries contribute to mutual investment. In any case, Azerbaijan is taking steps in this direction.

We are united through energy and transport corridors. This, too, is a huge asset. Member-countries have major natural resources and a vast geography. All of these efforts are already providing the development of each country. Of course, the continuation of the energy diplomacy and coordination of our efforts in this area are necessary, and we will continue our work in this direction in the coming years.

The speakers today have raised the issue of joint activities in the tourism sector. I think this is a very important area.



Especially in such a center of tourism as Gabala it is very important to exchange views on the steps to be taken in this direction. I suggest holding a joint exhibition on the tourism potential and tourism centers of the Turkic world. This exhibition could be conducted both in our countries and elsewhere. In addition, the Turkic world could make single presentations at prestigious international exhibitions because our countries have great potential for tourism. The tourism potential uniting our countries is getting stronger. The Black Sea, the Mediterranean Sea, the Caspian Sea, Lake Issyk-Kul – these are well-known travel destinations worldwide. Nature in our countries is beautiful – there is clean air, mountains, forests and rivers. I believe that a joint presentation will reflect and introduce our unity and at the same time, in practical terms, increase the flow of tourists to our countries.

Proposals have also been made on the development of information and communication technologies. Azerbaijan continues work in this direction. Earlier this year, we launched the first Azerbaijani telecommunications satellite into orbit.

Thus, we have launched the development of a space industry in Azerbaijan. This area, of course, is associated with the humanitarian sphere because information and communication technology boils down to knowledge, education and, innovation. Of course, the development of the humanitarian sphere is very important for any country. An educated and intelligent young generation is growing up in our countries. This will also contribute to the independence of our countries in the future. If we look at the world map, we can see that developed countries have achieved development because of a rapid scientific and technological progress. They have invested in science and education. The ongoing work in this area will strengthen the future development and independence of each country. Therefore, our countries have established significant collaboration in the field of innovation, science and education, and I think that it should be in the spotlight in future years.

Naturally, transportation was one of the issues on the agenda, and we all share the same opinion here. All the speakers have noted the issues related to transportation. By creating a new transport infrastructure, we are uniting the Turkic world also through the transport network. At the same time, we are creating a strong transportation infrastructure for our countries and for the future. Our nations will be using it for centuries. It will bring us additional economic benefits.

In my opening remarks I expressed my views on the work done in Azerbaijan in this direction. I would like to add that the port being constructed by Azerbaijan on the Caspian Sea will be the largest seaport in the region. Its capacity will be gradually increased from 10 million to 20 million tons. Of course, the construction of the Baku-Tbilisi-Kars railway and the port in Baku is carried out in a coordinated manner. Thus, it will lead to an increase in freight traffic across the Caspian Sea.

Today's statements have also touched upon the tolerance of our peoples. This is also a very important issue. Indeed, all the peoples living in our countries regardless of their ethnicity or religion have all the rights and live like one family. There are never any negative phenomena. This is our greatest asset and we should strive to present the Turkic world internationally also as a space of tolerance. We in Azerbaijan are conducting a variety of activities in this direction. I am aware that such activities are also carried out in other fraternal countries. In particular, I want to note the activities of the Second Baku International Forum on Intercultural Dialogue. We look forward to the active participation of our brothers in future forums because this forum has already secured its place in the world.

Some other valuable ideas about the future of our countries and peoples have been expressed here as well. In particular, I would like to express my attitude to the thoughts about the demographic situation. This is a great asset for us. The demographic situation in our countries is very positive. There is natural growth. In many countries the situation is completely different. This is our great asset, as it represents the potential for the present and future. But it is no secret that the demographic situation is an advantage when there is rapid economic development. The demographic situation must be supplemented by major economic reforms. If it isn't, the economy doesn't develop and the population continues to grow, then it can turn into a problem. If the demographic situation grows along with the economy, then it means a huge potential and a major force. In the future, the solution of problems in the world will be associated with the potential of countries, including the demographic situation.

At the same time, I want to express my attitude to another thought expressed here. I believe that this is also a very valuable idea, and Azerbaijan is making effort in this direction. The joint activities of our Diaspora organizations are very important. We occasionally conduct forums of Turkish and Azerbaijani Diaspora organizations in Azerbaijan and Turkey.

A joint congress has also been held. I believe that consolidation of efforts in this area would be useful because millions of our compatriots living abroad today represent our peoples. I believe there are excellent opportunities to organize them and bring them together. Individually, there are Diaspora organizations. In many cases they coordinate their activities. But in this format, in the form of a union of Diaspora organizations of member-countries of the Cooperation Council of Turkic-speaking States, I think it will further strengthen our work in all respects.

In short, dear friends and dear heads of state, I am sure that today's summit will be yet another successful stage. From today Azerbaijan takes over Presidency in the Council. I want to assure you that we will work hard, so that our organization becomes even stronger over the next year and all our objectives are successfully met. I express to you my deep respect and reverence for all of you again. Thank you!

This concluded the work of the Third Summit of the Cooperation Council of Turkic-speaking States ended.

OIC FOREIGN MINISTERS' CONFERENCES ON FINANCING STRATEGIC SECTOR PLAN FOR THE DEVELOPMENT OF THE CITY OF AL QUDS AND THE ESTABLISHMENT OF ISLAMIC FINANCIAL SECURITY NET

11 June 2013, Baku



Baku hosted the Organisation of Islamic Cooperation Foreign Ministers' Conferences on Financing Strategic Sector Plan for the Development of the City of Al Quds and the Establishment of Islamic Financial Security Net on June 11, 2013, in accordance with the decision of the OIC Islamic Summit Conference held in Cairo on 6-7 February 2013. The two conferences were attended by foreign ministers of the member states of the Organisation of Islamic Cooperation (OIC), the OIC Secretary General, heads and representatives of international organisations and financial institutions.

Foreign Minister Elmar Mammadyarov of Azerbaijan greeted the participants on behalf of President Ilham Aliyev and wished participants well. Minister emphasized that these two conferences at such an important stage is exceptionally crucial for the people of Palestine and called Palestine achieving an Observer State Status at the United Nations a significant historic event. Azerbaijani Foreign Minister also officially reaffirmed that Azerbaijan supports the creation of a fully-fledged, independent State of Palestine, the City of Al Quds as its capital city. Minister Mammadyarov also noted that Armenia, that has occupied part of Azerbaijani territories through its aggressive policy in the South Caucasus, remains the main obstacle to expanding regional cooperation in the region. Minister highlighted that the settlement of the conflict between Armenia and Azerbaijan should be on the basis of international law, the relevant UN Security Council Resolutions should be implemented unconditionally and Armenian armed forces should be withdrawn from occupied territories of Azerbaijan. Taking the opportunity Minister Mammadyarov expressed his gratitude to the Organisation of Islamic Conference and the OIC member states for their consistent support to Azerbaijan's just position on the conflict.



Minister Elmar Mammadyarov also stressed that the financing of the Strategic Sector Plan for the Development of the City of Al Quds and the Establishment of Islamic Financial Security Net aim to assist the State of Palestine.

OIC Secretary General Prof. Ekmeleddin Ihsanoglu noted that the two conferences in Baku are vitally important for the Islamic Ummah and guided by the Islamic solidarity, called on the OIC member states and international organisations to support the financing of Strategic Sector Plan for the Development of the City of Al Quds.

Speaking at the event, foreign ministers of other OIC member states expressed gratitude to the Republic of Azerbaijan for hosting the conferences. They also called on the OIC member states to take collective action to assist the people of Palestine in overcoming problems facing

the City of Al Quds and expressed confidence that these conferences would contribute to these efforts. Ministers stressed the necessity to assist the people of Palestine and praised the initiative to hold the conferences in that regard. They also explored opportunities to arrange trainings for the people of Palestine, their involvement in various programs as well as the allocation of scholarships and investments. It was pointed out that the proposed Sector Plan for the City of Al Quds identifies the main areas for the development of the city and includes measures for the protection of sanctuaries. It was also stressed that Al Quds should be protected as the capital city of the State of Palestine, economic circumstances should be improved to enable the return of the people to the city and measures should be adopted in order to prevent efforts aimed at changing demographic and cultural landscape of the city.

Participants stated that the proposed Sector Plan envisages the construction of apartments, education, health and tourism facilities and the establishment of agricultural infrastructure for the people of Palestine in the City of Al Quds.

During the conferences relevant decisions were adopted concerning the financing of Strategic Sector Plan and the projects within the Plan aimed at developing the City of Al Quds. The participants also expressed gratitude to President Ilham Aliyev as well as the people and Government of Azerbaijan for hosting the conferences and expressed full support and solidarity with the people of Azerbaijan in its efforts to strengthen national statehood and restore its territorial integrity. They also wished continuous success and prosperity to the brotherly people of Azerbaijan.



10TH ANNIVERSARY AND SUMMER SESSION: "AFGHANISTAN BEYOND 2014"

1-5 July 2013, Baku

10th Anniversary of success

The year of 2013 is remarkable in the history of NATO International School of Azerbaijan (NISA). This year NISA celebrates its 10th anniversary. NISA starts its history of teaching excellence from 2003. What once was only idea is now one of the leading research and training centres in Azerbaijan. Sticking to the idea of "Learning by networking" created an intimate community in NISA, whereas each member of this community enjoys sharing his/her knowledge, experience and culture. NISA is a community with certain principles and values:



Out-of-the-box thinking – We seek to drive a debate that will be abundant with original thoughts and ideas. We believe that there is no monopoly on common sense and we encourage innovative ideas that would lead to peace and security in our region and beyond.

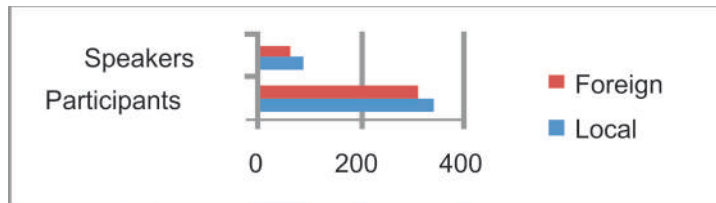
Diversity – We always encourage people from diverse backgrounds to take part in our events, as we believe that reality can look different depending on the source of perspective.

Leadership – NISA prioritizes leadership as one of its key values. We seek to work with young leaders, whose' careers could be contributing to shaping the security environment in this region. We want to further develop their leadership capacity and provide them with necessary tools and information that could add to their educational and career successes.

Since its establishment, NISA has organized numerous roundtable discussions, forums, international seminars and trainings in order to provide a platform for exchange of ideas and experiences. NISA events are concentrated on engaging mainly two types of audiences varying from students and young scholars, who are interested in international security, to government officials, whose primary responsibilities are directly or indirectly linked to peace and security in the region.

Today, NISA serves as an active and productive forum on regional security issues and its alumni varies from Azerbaijan to EAPC countries, as well as representatives of Mediterranean Dialogue, Istanbul Cooperation Initiative and other Partnerships. So far,

around 150 speakers from more than 20 countries have delivered lectures through NISA panels. During 10 years around 750 participants from 40 countries have benefited from these sessions.



NISA sessions concerning the topical questions of Euro-Atlantic Security take place twice a year in winter and summer seasons:

Afghanistan beyond 2014	2013
Challenges to Security in the Caspian Region	2013
Post-Arab Spring Middle East	2012
Crisis Response: International Communities' Approaches, Capacities and Resources	2012
New Strategic Concept: Perception and Challenges	2011
The Middle East Puzzle: Security and Democracy	2011
Financial Security	2010
Modern Warfare and Regional Conflicts	2009
Maritime Security	2009
Cyber security	2009
Crisis Management	2008
Security challenges and Euro-Atlantic Partnership: Energy security, conflicts, terrorism and asymmetrical threats	2007
Peace operations in the Euro-Atlantic area: challenges and perspectives	2007
Perspectives of Euro-Atlantic integration in the region of 3 Seas	2006
Enhancing security in the area of 3 Seas: how to build a comprehensive approach?	2006
The Concept of 3 Seas: Caspian, Black and Mediterranean	2005
Energy Security in the Euro-Atlantic area	2005
Changing NATO in the Changing World	2004
Leaders of the 21st Century	2003

During these sessions, run regularly since 2003, security related topics, such as energy and border security, critical energy infrastructure protection, crisis management, peace support operations, maritime security and others have been discussed. Aimed at becoming an institutionalized research center, NISA is continuing to expand its scope of activities and has started to conduct training not only for students, but also for executives and representatives of relevant government agencies.

NISA Summer Session 2013

Date: 1-5 July 2013

Venue: Jumeirah Bilgah Beach Hotel, Baku, Azerbaijan

Experts: 16 experts from 10 countries

Participants: 40 participants from 17 countries

The last Summer Session took place in Jumeirah Bilgah Beach Hotel from July 1 to July 5, 2013 and was dedicated to "Afghanistan beyond 2014".



Peace and stability in Afghanistan is a shared objective of the wider international community. Achieving this objective will have positive effect on the security in Afghanistan, its immediate neighbors and beyond, including the Euro-Atlantic area. In this regard, it is no surprise that diverse set of international institutions and initiatives, including the United Nations, NATO and the Istanbul Process are engaged in Afghanistan to help its national government to combat terrorism, extremism, illegal drug trafficking and etc. Afghanistan

will assume lead security responsibility all over the country as ISAF completes its mission by end of 2014. This date can herald a new period in Afghanistan history: consolidation of Afghan's sovereignty, focus on political means to achieve lasting peace and stability and opportunities to revive regional cooperation. This course of development can lead Afghanistan to fulfill its role as "Heart of Asia" and thus contribute to economic development and security all over the region and beyond. Alternative to this course can be escalation of security situation with unpredictable consequences for the whole region.

"Afghanistan beyond 2014" focused on fostering common understanding of impending problems and emerging opportunities in Afghanistan and discussed ways on how the international community can better contribute to peaceful future of Afghanistan. In the light of current events in Afghanistan i.e. the end of the ISAF combat mission by December 2014 and completion of the transition to Afghan National Security Forces, which are taking the lead over full security responsibility in the country, the aim of the session was to deliver to participants not only the historical overview of Afghanistan, but also to describe the mission itself, international assistance, and future prospects for the process of development and reconciliation in Afghanistan.

During the 5 days of the session participants had a chance to meet diplomats, high level officials as H.E. Mr. Hikmet Çetin (Former Foreign Minister of the Republic of Turkey and Former NATO Senior Civilian Representative in Afghanistan), H.E. Ambassador Richard Morningstar (Ambassador of United States of America to Azerbaijan), H.E. Ambassador Daniel Cristian Ciobanu (Ambassador of Romania to Azerbaijan, contact point Embassy of NATO to Azerbaijan), experts from different organizations such as the Ministry of Foreign Affairs and the Ministry of National Security of the Republic of Azerbaijan, ANAMA, NATO, US Military Academy, NATO School Oberammergau, and researches on Afghanistan related topics.

These speakers shared both factual and practical knowledge gained during the years of service and work within the framework of the sphere of expertise. In addition, the participants visited the Head Quarters of the Peacekeeping Forces of the Ministry of Defense, through which they learned the working mechanism of Azerbaijan's mission to ISAF. In the honor of 10th anniversary, the Summer Session was marked not only by the very informative presentations and fruitful discussions, but also by the Reception dedicated to the significant date.

MƏQALƏLƏR – ARTICLES – СТАТЬИ

'EUROPE' ISN'T ENDING IN CROATIA*

Hajrudin Somun**

The European Union penetrated deeper into the Balkan Peninsula on July 1, 2013 by adding Croatia to its members. Having already welcomed Greece, Bulgaria and Romania, the EU is now embracing the Balkans, east and west, with six more candidates, plus Turkey, which started accession talks 1995, the same year as Croatia.

Travelers from Europe are now finding that customs posts were removed from Croatia's borders with EU neighbors Slovenia and Hungary, and that EU signs and flags were put up on its borders with Bosnia and Herzegovina, Serbia and Montenegro. Croatians had plenty of reasons to celebrate July 1 as a "historic day," but they also have reason to worry. After entering the European Union, as beleived particularly by the EU-sceptists, Croatia will in the long run lose opportunity to influence its economy, and even its own future.

Those three non-EU Balkan states, however, have already started to suffer the consequences of having the EU on their frontiers. Bosnia was hardest hit by Croatia's EU admittance. If nothing else, there are now two smaller countries with such small populations -- more or less 4 million each -- that have around 1,000 kilometers of joint borders.

Croatia marked its EU entry with festivities that lasted till dawn on July 1 and that date is still considered as one of the most important inm country's history. Although considered Croatia's major supporter on its path to the EU, German Chancellor Angela Merkel cancelled her promised trip to Zagreb to those celebrations due to, it is widely believed, her disapproval of the recent Croatian law of extradition. Croatian enthusiasm was best expressed by its president, Ivo Josipovic, who said, greeting the Balkan leaders, "I look at the future with much optimism on the first European morning." He also pledged that Croatia would help other Balkan countries move closer to the EU and contribute to regional stability.

Croatia's triumphant accession

Despite the euro crisis, Croatia's accession was seen in Brussels as a triumph of the overall European project. Slogans touting the union's "magnet effect" were repeated by its highest officials. Besides a slightly larger market for its goods and fewer border problems for its citizens traveling for the holiday to beautiful Adriatic beaches or buying private properties there, the EU expects Croatia's entry to bring more stability to the European southeast. "Croatia's arrival into the European fold, following Slovenia in 2004," as the Financial Times has been stressing those days, "will entrench the forces of stability that emerged after the brutal wars sparked by Yugoslavia's disintegration. This is as important for the security of Europe's own borders as it is for the citizens of these former communist countries."

* Originally published in the Today's Zaman, July 18, 2013. Europe' isn't ending in Croatia is modified and extended version of that article.

** Hajrudin Somun is the former ambassador of Bosnia and Herzegovina to Turkey and a lecturer of the history of diplomacy at Philip Noel-Baker International University in Sarajevo.

And what Croatia is gaining by entering the EU? Unlike their political leaders, ordinary Croatians are more interested in practical benefits that could make their daily lives better and actual economic problems more bearable. Like its neighbors, the country is suffering slow economic growth. Unemployment is about 20 percent (330,000 is the latest figure). Many Croats hope they might find jobs in richer EU countries, particularly Germany. Many tariffs have been abolished along with other non-tariff barriers to the trade with the EU. Croatian companies now have access to the larger single market, but they also got tougher competition in the domestic market. If it develops acceptable programs, Croatia will be able to use around 11.7 billion euros in EU investment funds till 2020.

As Domagoj Mihaljevic of Zagreb University said in the Sarajevo weekly Dani, "The EU was left as the last resort of hope for a population exhausted by enduring distrust of the corrupt local elite. Many are ready to accept a self-colonial position, believing that the European bureaucrats will keep domestic elites under control and secure conditions for economic prosperity."

However, Croatia has its own Euroskeptics as well. One of them, philosopher Boris Buden, didn't see ordinary Croats celebrating their country's admittance into the EU. "Official festivities are organized by political elites, because they prove their legitimacy that way," he said, adding, "It was their aim -- to bring Croatia to Europe, whatever it might mean." Buden also recalls an "old cultural-racist thesis that doesn't have any proof in reality." He says it was "completely logical that the official ideology that is incorporated in Croatia's very structure celebrate its Western-European dream in keeping conformity with that thesis -- that Croatia had always belonged to the so-called European cultural circle, and not to the Balkans." Following celebrations in Zagreb, I also recognized an echo of that notion in Josipovic's above-mentioned words about "the first European morning."

Returning to the reality of extending the EU to the borders of the remaining non-EU countries, it is noteworthy that these countries are already experiencing other concrete concerns. The first days of July have seen 4- to 5-kilometer lines of trucks expecting to enter Croatia from Serbia. The control of goods and documents, as well as custom regulations, suddenly became stricter and more complicated. Bosnia, however, was caught unprepared to meet all the problems it might have in trade and transit with Croatia. Due to its internal political and economic crisis, it was unable to undertake the measures necessary for such a situation. On its 1,000-kilometer frontier, it made only two border passes acceptable, according to EU standards and requests, the transfer of goods.

The Bosnian economy, and particularly Bosnian food producers, suffer the biggest losses. By entering the EU, Croatia automatically left CEFTA (Central European Free Trade Agreement).

Impacts for CEFTA members

This will have economic impacts for CEFTA members, especially Bosnia and Herzegovina and Serbia. In 2012, about half of Bosnia and Herzegovina's overall exports and more than 10 percent of Serbia's went to the Croatian market. Because of EU strict regulations, Bosnia had to stop supplying Croatian customers with meat, milk and all other foods of animal origin, except fish, of which Croatia gets too much from the Adriatic anyhow. From the other side, Bosnia will be prohibited for the next three years from exporting potatoes to Croatia. Potatoes are Bosnia's most popular agricultural product.

New problems arose in last summer days for most Bosnians that spend their holidays on the Croatian Adriatic coast. Accustomed to traveling to Croatia with only their domestic IDs for years, they were required to show a biometric passport and 100 euros per day they intend to stay there. For Croatians, as well as other EU citizens, traveling to Dubrovnik, country's most famous tourist destination, became also more complicated. Croatians hope to gain European funds to build the Peljesac Bridge, which would bypass the Bosnian district of Neum. Neum provides Bosnia access to the Adriatic Sea and splits the Croatian mainland into two parts. That Bosnian Adriatic coast, only around 20 kilometers long, is now a unique geographic feature but also a political issue for the whole European Union -- a tiny part of Croatia containing the beautiful Dubrovnik will be within the EU's borders only if Bosnia one day becomes a member.

Here we come to the issue of the probable effects of Croatia's EU membership on the integration of the remaining Balkan countries into the union. Marko Prelec, director of the Balkans Project, wrote in The New York Times: "If Croatia turns into a problem child for the EU, then it's going to be next to impossible for anyone else to join. But if it goes well, then the doors will be open for its neighbors, too." This makes sense from one perspective, but I see it from another, broader angle. I believe that the permanent geopolitical background of almost all previous EU enlargements toward the East was more important than meeting European standards and values. Now those in Brussels don't even bother hiding their regrets about admitting Bulgaria and Romania to the union prematurely.

Croatia certainly deserves its accession and has passed stricter procedures than Bulgaria and Romania did to achieve it, but one wonders whether Croatia would have been given priority over the remaining Balkan countries if it hadn't had strong political support from Germany and ideological support from the Vatican. One elder Croatian told a TV camera, "It is good we are in the EU, because we are Europeans and Catholics."

Fingers crossed for further EU enlargement

Further EU enlargement, hopefully, will continue in the coming years and won't end with Croatia. In this sense, I would share the view about "an increasingly uncertain destination" of EU "enlargement fatigue" that John O'Brennan of the National University of Ireland Maynooth expressed in Today's Zaman last week. I wouldn't share, however, the title of his piece -- "Will Europe end in Croatia?"

Perhaps it wasn't his intention, but by making Europe and the EU equivalent he automatically supports the Croats -- the ones philosopher Buden spoke of -- who think that Europe is ending with them and that they are now relieved of the Balkans, the "European abandoned backyard."

Being forsaken, however, I and most of my compatriots are proud to belong to that backyard and hope the EU will not abandon the remaining Balkan countries outside its borders. Personally, I am not an EU skeptic and see many more benefits than risks in being within the largest-ever European association. Traveling recently through Slovenia, Austria and Germany to France and back to Bosnia, I became even more convinced of those benefits -- for things that mean more for life than politics.

MAKING PROGRESS ON THE MIDDLE EAST NUCLEAR- AND WMD-FREE ZONE: EGYPT'S NPT PILLAR*

Sameh Aboul-Enein**

This paper addresses three issues, namely: the changed political dynamics that make the Middle East WMD-free zone issue more salient than ever; the implications of these changes for the Nuclear Non-Proliferation Treaty (NPT) and the Middle East conference; and finally, the impact of current developments in the Middle East on the 2015 NPT Review Conference.

The Current Situation

Almost two decades have elapsed since the 1995 Treaty on the Non-Proliferation of Nuclear Weapons Review and Extension Conference adopted a resolution on the Middle East that called for the establishment of a WMD-Free Zone in the region. Previous Nuclear weapons free zones in Latin America and the Caribbean (Tlateloco), South Pacific (Rarotonga), South East Asia (Bangkok) and Africa (Pelindaba) have all progressed through similar stages to bring their respective zones into force.

The Middle East resolution was an integral, inextricable part of the fundamental deal around the indefinite extension of the treaty. For many States, it also constitutes the fourth pillar of the NPT regime, which is one reason why many States parties feel aggrieved with the lack of progress and the apparent low priority given to the matter prior to 2010. Unfortunately, to this day, no practical steps have been taken to implement this resolution.

In spite of the fact that the NPT Review Conference in 2010 presented a way forward towards adopting by consensus an action plan on the Middle East, and notwithstanding Amb. Jaakko Laajava's efforts to hold this conference, it is important to acknowledge that little progress has been achieved in the three years since and that there has been scant evidence of the conveners to placing the required high priority and commitment on the convening of the conference, in accordance with the timeline and the mandate established by the 2010 NPT Review Conference.

It is important that concerned policymakers outside the region do not underestimate the level of frustration that has built up around this issue over time. The implementation of the 1995 Middle East resolution is crucial to the health of the non-proliferation regime. Restoring confidence in this process will require State representatives to approach the issue in a manner that respects the principle of equal commitment to regional and global security, implementation of critical commitments, and the creation of a regime that at its roots, and in the longer term, is unambiguously non-discriminatory.

The "Arab Spring" has without a doubt changed existing fundamental dynamics and has had significant implications on the political and security settings in the Middle East. Although the Arab Spring has undoubtedly affected the short-run capacity of states to en-

* This article was originally published as Sameh Aboul Enein, "Making Progress on the Middle East Nuclear- and WMD-Free Zone: Egypt's NPT Pillar" in Paolo Foradori and Martin B. Malin, eds. A WMD-Free Zone in the Middle East: Regional Perspectives. Discussion Paper 2013-09, Project on Managing the Atom, Belfer Center for Science and International Affairs, Harvard Kennedy School, November, 2013. "Making Progress on the Middle East Nuclear- and WMD-Free Zone: Egypt's NPT Pillar" is modified and extended version of that article.

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gage constructively on the non-proliferation and disarmament agenda, in the longer run it could be a positive game-changer. Public opinion is already playing a much more significant and prominent role in Arab societies and in this respect will have a fundamental role in the formulation of disarmament and security issues. Arab governments are becoming more accountable to their people and foreign policy is falling more in line with domestic aspirations and a reflection of popular demands. Parliaments, with their foreign affairs, Arab affairs and National Security committees, are already playing and expected to draw considerable attention. In this context, public opinion in Egypt and in many Arab capitals is dismayed at the lack of progress on holding the conference on the Middle East to this date. To play an increasing role in foreign policy issues, in which nuclear issues will receive, without a doubt, considerable attention. In this context, public opinion in Egypt and in many Arab capitals is dismayed at the lack of progress on holding the conference on the Middle East to this date.

Preparations for the Middle East Conference

After two PrepCom meetings leading to the 2015 NPT Review Conference, the facilitator has had little to report in line with the 2010 action plan. Yet there is a need to enter directly into a phase of substantive and procedural preparation for the Middle East WMD-free zone conference itself. To begin on a positive note, a number of imaginable difficulties can in fact be easily overcome: the 1995 Resolution and the 2010 action plan already provide clear guidance on the mandate of the conference; the Rules of Procedure can be adapted from the NPT review process (as the 1995 resolution and the 2010 action plan emanate from the NPT review process), or alternatively from the rules of procedure of the UN General Assembly; the facilitator is already appointed and has been working for over a year and the venue also is already identified as Helsinki; internationally agreed principles exist on the establishment of nuclear weapon-free zones (NWFZs) which have been subscribed to by all States in the region of the Middle East through the UN General Assembly and the UN Disarmament Commission; the zone of application is defined and accepted as reflected in various UN and IAEA documentation, thus the States of the region of the Middle East are clearly identified, and the delimitation of a Middle East WMD-free zone is well known; and the nature of obligations under a NWFZ are also quite clear, as are the obligations pursuant to the global treaties prohibiting biological and chemical weapons. What is lacking, though, is the requisite political will, commitment, and sense of urgency on the part of the conveners to deliver on their 1995 and 2010 commitments. NPT States, in particular the States of the region of the Middle East, have been awaiting fulfillment of such obligations since 1995. How much longer must they wait?

The conference sponsors should take the lead in launching a sustained and serious process involving specific concrete steps and measures to be taken within specific time-frames. Furthermore, this process must seek to convene the conference as soon as possible, prior to the 2014 session of the NPT Preparatory Committee, and to link the outcome and related developments to the successive sessions of the Preparatory Committee, ultimately leading to a report on the result of the conference to the 2015 NPT Review Conference (as mandated in 2010). While limited progress has been made, there is still a need for intensified work in order to finalize the agenda and various modalities, including preparation for how the issues of verification and compliance should be addressed. What will be the mechanisms and which institutions will be entrusted with this responsibility? What will be the implications of non-compliance? Furthermore, other issues such as security guarantees, the inalienable right to cooperation in the peaceful uses of nuclear energy (in line with Article IV of the NPT), and nuclear safety/security are in need of elaboration as well¹.

It is essential, and required pursuant to the 2010 mandate, that participation in the Middle East Conference should be inclusive: the conference should include Israel, Iran, and the members of the League of Arab States, as well as the nuclear weapon States and other relevant international organizations such as the IAEA, the OPCW, CTBTO, UN-ODA, the NPT Chair, and the BTWC ad hoc mechanism².

The remaining session of the Preparatory Committee (in 2014) should review a roadmap based on the reports of the facilitator and the outcome of the Middle East WMD-free zone Conference. Evaluation of the views of NPT member states regarding the progress made towards establishing the zone should be an integral part of the report of the Preparatory Committee and of the facilitator to the 2015 NPT Review Conference.

The Broader Security Implications for the NPT Regime

The continuing lack of implementation of the 1995 resolution is bound have serious consequences, not only for the future of proliferation within the region, but also for the credibility of the Non- Proliferation Treaty regime in its entirety. This failure to make progress is now increasingly perceived as a breach of faith and commitment on the part of the depositary states and the conveners of the conference³.

To minimize any negative impact on the NPT regime, the depositary states that co-sponsored the 1995 Resolution, and the UN Secretary General with the assistance of the facilitator, must assume special responsibility and take visible and concrete steps on the implementation of the 1995 resolution and the 2010 action plan on the Middle East. To maintain credibility, the conveners must honor their commitments and hold the conference without any further delay.

If nothing is done, it is safe to assume that the Arab stance at the 2014 Preparatory Committee and at the 2015 Review Conference will be the subject of re-examination and re-evaluation. Although the League of Arab States has no desire or interest in undermining the integrity of nuclear non-proliferation in the region, the Arab States cannot be expected, particularly by those that possess nuclear weapons or sit securely under a nuclear umbrella, to continue to sacrifice their security indefinitely and idly stand by while other states ignore key commitments and undermine the regime.

The Middle East cannot be an exception to the Global Zero campaign. Israel remains the only state in the Middle East that has not yet become a party to the NPT and the only State in the region with a nuclear-weapon capability, and therefore Israel's accession to the Treaty as a non-nuclear-weapon State remains central to achieving the goal of universal adherence to the Treaty in the Middle East. The example of South Africa unilaterally renouncing its nuclear weapons and acceding to the NPT and the Pelindaba Treaty as a non-nuclear-weapon State (NNWS) beckons Israel. Another example that can be examined is the bilateral model of the Brazilian-Argentine Agency for Accounting and Control of Nuclear Materials (ABACC).

¹ Sameh Aboul-Enein and Hassan ElBahtimy, "Towards a verified nuclear weapon free zone in the Middle East", VERTIC Brief, 11 April 2010, <http://www.vertic.org/media/assets/Publications/VB11.pdf>

² Sameh Aboul-Enein, "NPT 2010: The Beginning of a New Constructive Cycle," Arms Control Today, November 2010, http://www.armscontrol.org/act/2010_11/Aboul-Enein

³ Sameh Aboul-Enein, "Challenges for the Non-Proliferation Regime and the Middle East," Disarmament Diplomacy, Spring 2009

The fundamental role of the NPT must be reinforced in order to achieve nuclear disarmament and non-proliferation, particularly in the Middle East. This is why NPT universality is a pressing issue; it is simply unsustainable to expect NPT members to exercise indefinite restraint, and take on ever-increasing burdens to prove peaceful use, while universality languishes and nuclear disarmament remains a distant goal. Nuclear disarmament in the Middle East should also take place within the framework of the 1995 Middle East resolution and as agreed in the 2000 and 2010 NPT Review Conferences, and thus would contribute to global nuclear disarmament efforts.

Conclusion

In moving forward, it is necessary to reiterate the following points, which must be recognized by the international community as a whole and the NPT depository states in particular, as the basis for progress. Egypt and many other states consider the creation of the Middle East WMD-free zone as the fourth pillar of the NPT. The success of the nuclear- and WMD-free zone project therefore impacts heavily upon the continuing integrity of the NPT regime. Furthermore, the breach by the conveners in the implementation of the 2010 action plan's clear decision to hold a conference in 2012 is yet another failure to fulfill a key NPT commitment intimately connected to the indefinite extension of the NPT. Among the League of Arab States, Egypt's strong national statement of dissatisfaction with these repeated failures has been expressed by its withdrawal during the second week of proceedings from the second Preparatory Committee⁴. There must be no more excuses for postponement of the conference – the need to fix an exact date must be recognized by all states and acted upon by those responsible for its coordination.

I believe that in preparation for the Middle East conference, the following technical provisions of the nuclear- and WMD-free zone in the Middle East should be addressed:

- Dismantling and destroying existing or remaining nuclear weapons capabilities, facilities, and devices under international verification mechanisms;
- Renouncing nuclear weapons through refraining from conducting indigenous development and activities related to nuclear weapons;
- Prohibiting the transit or stationing of any nuclear explosive devices in the zone;
- Prohibiting all nuclear explosive testing in the zone and promoting the role of the CTBTO in this regard;
- Using nuclear materials and facilities for peaceful purposes only, in accordance with the NPT;
- Placing all nuclear facilities under comprehensive IAEA safeguards;
- Establishing the necessary institutions, mechanisms, and entities to uphold such a zone free of nuclear weapons and other weapons of mass destruction. and to address the issue of verification. This entails in particular, identifying the role of the IAEA and other relevant verification organizations within such a zone as the OPCW, CTBTO and the United Nations.

A more constructive approach towards engaging all the countries of the region is also required in order to guarantee their full participation in the conference. I still believe that the Middle East WMD-free zone conference and the process that follows should be inclusive to allow a more genuine, candid, and necessary interaction about nuclear disarmament, dismantlement, nuclear roll-back, non-proliferation, peaceful uses, transparency, account-

⁴ Egypt's statement is available at: http://www.reachingcriticalwill.org/images/documents/Disarmament-fora/npt/prepcom13/statements/29April_Egypt.pdf

ability, and verification. Although the interest in this topic. In addition to the many officials with vast experience, a wealth of experts and resources is available that can be positively harnessed to ameliorate the political stalemate on the matter. The international community at large recognizes this fact and sees the positive process has been slow, there has been no shortage of academic and other non-governmental abilities that can come from a genuine commencement to the implementation of the 1995 Middle East resolution on a nuclear- and WMD-free zone in the region. This effort is crucial not only for peace and security in the region of the Middle East, but also to facilitate the work of the 2014 NPT Preparatory Committee and the 2015 NPT Review Conference.

CONFLICT AND COOPERATION ON THE FUTURE OF ENERGY IN SOUTH ASIA**Khurram Javed Kazi***

South Asia is facing a daunting challenge of energy shortage posing grave threats to energy security. Rapid population growth and economic development in South Asia is raising energy needs, which may cause inter-state as well as intra-state conflicts over the control of natural resources. On the positive side, South Asian countries can greatly benefit from the mineral wealth of Central Asia, by constructing pipelines carrying oil and gas. This will not only help in overcoming the power shortage in South Asia, but will also lead to liberal peace through interdependence. The Integration of South Asia with Central Asia has the potential to mitigate conflicts in South Asia and bring peace and development to the region. India and Pakistan, two major players in South Asia can reconcile their differences by developing strong links in energy trade and establish mutual interdependence. The paper will discuss the geopolitical significance of the Eastwards pipelines from Central Asia and its repercussions for South Asia. It will also analyze the future projects of Turkmenistan, Afghanistan, Pakistan, and India gas pipeline; and Iran-Pakistan gas pipeline project – which can later be extended to India. These energy projects have the potential to transform conflicts in South Asia and bring sustainable peace.

There is an old Kantian notion that militarized inter-state conflicts are less likely to occur between democratic countries with high levels of trade (mutual-interdependence), widely known as democratic peace theory. In the contemporary international history there is no other theory that has achieved the status of a law other than the democratic peace theory. Post World War II, the world has not witnessed a war between two democratic countries with a high level of interdependence. Europe that was a battlefield throughout the course of history, transformed into a zone of peace through democratization, interdependence through high level of trade, and participation in international organizations. Europe also integrated through energy interdependence where oil and gas pipelines flow from East to West and from North to South. Through this process they have achieved regional integration and sustainable peace.

Rapid population growth and economic development in South Asia is raising energy needs, which may cause inter-state as well as intra-state conflicts over the control of natural resources. Conflicts between India and Pakistan - two largest states in South Asia – have already retarded regional integration and economic growth. According to a recent World Bank report, South Asia is the least integrated region in the world¹. This is because two major players in South Asia, i.e., India and Pakistan are unable to reconcile their differences and together move forward to break the vicious cycle of poverty. South Asia is also the second poorest region, after Sub-Saharan Africa, hosting more than 40 percent of the world's absolute poor².

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¹ The World Bank, Breaking Barriers, Crossing Borders: Regional Cooperation in South Asia (<http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/SOUTHASIAEXT/0,,contentMDK:23170500~pagePK:2865106~piPK:2865128~theSitePK:223547,00.html>) Accessed October 22, 2012

² Ibid

In the context of South Asia, all major wars between India and Pakistan took place during the authoritarian rule in Pakistan with an exception of Kargil conflict; the reason being that South Asia as a region could never achieve high level of interdependence, emanating out of regional trade. Regional integration and trade in South Asia was always obstructed by conflicts between India and Pakistan, largest countries in South Asia. Eastbound pipelines from Central Asia to South Asia will develop such a high degree interdependence that will deter any military adventures because it will disrupt economic linkages and will cause financial damage. As an alternative, mutual Interdependence offers non-militarized avenues for resolving disputes without resorting to the use of force.

South Asia as a region is witnessing higher demand for oil and gas, which poses grave threats to energy security. The hydrocarbon sources of supply need to be diversified; India that relies significantly on Iranian oil has to diversify its suppliers to circumvent the adverse effects of sanctions on Iran. Increased reliance on Middle Eastern oil, also poses a challenge to South Asia as Middle East is facing threats of democratic uprisings that has the potential to disrupt critical energy supplies. The possible blockade of Strait of Hormuz can also disrupt supplies to South Asia causing panic resulting from fuel shortage. In addition to building energy reserves, South Asian countries should also construct oil and gas pipelines from the Caspian basin to diversify its energy suppliers and achieve energy security. This will also augment the response capacity in case of a possible blockade of the Strait of Hormuz.

South Asia also hosts world's fastest growing population, with rising levels of poverty. South Asia is also witnessing various latent and manifest inter-state and intra-state conflicts, which have the potential to escalate in future. Regional integration will not only mitigate these conflicts but will also bring lasting peace and dividends, in form of sustainable growth and development.

South Asia is rapidly heading towards a water scarce region. The conflict over the interpretation of Indus Water treaty between India and Pakistan has the potential to escalate due to rising water scarcity in the region. On the other hand, statistical differences between India and Pakistan over water inflow and outflow in river Chenab and Jhelum - which is at the root of water conflict - can readily be resolved if there is a high level of trust and interdependence established between two countries. Similarly, there is an intra-state conflict over the control of natural resources in the Balochistan province of Pakistan. It is likely that these conflicts can be peacefully resolved through greater regional integration resulting in higher economic growth breaking the cycle of poverty. Previous research also substantiates the point that economic development mitigates the incidence of armed conflicts. Once pipelines enter South Asia from Central Asia, passing through Balochistan and giving valuable transit fee to the provincial government, it will automatically mitigate the resentment arising out of abject poverty.

Pakistan has been facing an enormous challenge of rising energy needs and shortfall in production. The existing hydro-power generation is declining due to silting in the dams. The share of Natural Gas is increasing, which is putting pressures on domestic and industrial demand for natural gas. Domestic gas production is unable to meet the pace of increased demand. The increase in the share of oil is putting pressures on the rising cost of power. In these circumstances, there is a dire need to ensure supply of cheap Central Asian gas (As opposed to expensive Qatari LNG), to effectively tackle gas shortage in Pakistan and South Asia. India similarly, has been trying to find cheap gas to meet its high growth rate.

Hydrocarbon resources of Central Asia and Caspian basin have the potential to cater the rising energy needs of South Asia and also help them diversify and achieve energy security. It will also bring economic dividends as it will reduce a possible reliance on Middle-Eastern LNG, and pump in gas at almost half the price of LNG. The burgeoning economies of South Asia needs Central Asian energy resources to come out of Poverty trap.

There are two pipelines currently on the agenda that can integrate Central Asia with South Asia in the next decade. They are:

1. Iran – Pakistan (IP) Gas Pipeline

Iran – Pakistan gas pipeline will start from Asalouyeh Iran, run through Balochistan and Sindh and end in Multan, Pakistan. IP can later be extended form Multan to New Delhi, India. The pipeline is estimated to be completed by the end of 2014 at an estimated cost of US \$ 7.5 billion. IP gas pipeline will deliver gas to Pakistan at a price of \$11 per MMBTU cheaper in comparison to import cost of Qatari LNG which would cost \$18 per MMBTU³.

2. Turkmenistan – Afghanistan – Pakistan – India (TAPI) Gas Pipeline

TAPI is expected to pump 700 billion cubic feet of gas per year from Dauletabad in Turkmenistan through Herat and Kandahar in Afghanistan; Quetta, Multan in Pakistan; to Fazilka in India. TAPI will deliver gas to Pakistan at a cost of \$13 per MMBTU. Another part of this project is a crude oil export pipeline from Chardzhou in Turkmenistan, via Afghanistan, to a terminal on Pakistan's Arabian Sea coast, with a capacity of 1 million barrels per day. This has the potential to overcome energy deficits in South Asia in general and in Pakistan in particular.

TAPI offers benefits to all four participating countries and would promote regional integration and cooperation. For Turkmenistan, it would provide revenue and diversification of supplies, resulting in energy security. For Pakistan and India, it would address energy deficits and help meet rising demand. For Afghanistan, it would provide gas for industries and revenue for development. Turkmen gas can also be exported to other countries through the Pakistani port of Gwadar. For other countries if can also bring new business opportunities in construction and operation of the pipeline.



³ Azad, Abdul Rasheed. IP Pipeline Project: Pakistan to Pay \$6/MMBTU more for Gas Price. Business Recorder. 2012. (<http://www.brecorder.com/top-news/1-front-top-news/51923-ippipeline-project-pakistan-to-pay-6mmbtu-more-for-gas-price.html>) Accessed October 25, 2012

Source: Heritage Foundation Canada, 2008

While it is true that India pulled out of IP, but there is a probability that rising energy demands will force India to reconsider its decision to join it again. Similarly, TAPI gas pipeline that has been delayed for decades due to instability in Afghanistan, will also contribute to peace and stability in South Asia. These pipelines will develop interdependence between India and Pakistan that will mitigate conflicts and establish sustainable peace.

South Asia's rising energy needs coupled with economic growth cannot be met with one pipeline; rather it requires multiple pipelines from Central Asia. Contrary to the conventional wisdom, there is no trade-off between IP and TAPI. Regional integration between South Asia and Central Asia will not only help in overcoming the power shortage in South Asia, but will also lead to liberal peace through interdependence. The Integration of South Asia with Central Asia has the potential to mitigate conflicts in South Asia and bring peace and development to the region. Peace pipelines from Central Asia will transform South Asia from a zone of conflict and violence to a zone of peace and prosperity.

Pakistan will shortly give India the status of Most Favorite Nation (MFN) for trade, under the South Asian Free-Trade Agreement (SAFTA) regime. India gave similar status to Pakistan, in 1996 but when Pakistan failed to respond back by giving India the same status, India imposed non-tariff barriers on Pakistani Goods. With Pakistan taking a step forward, India is reciprocating by lifting non-tariff barriers on Pakistani goods. The Trade potential between the two countries exceeds US \$ 15 billion, but the current trade level is less than US \$ 3 billion⁴. With Pakistan awarding the long awaited Most Favorite Nation (MFN) status to India and initiation of bi-lateral trade, there is a likelihood of further regional integration and SAARC taking up a more active role. Bilateral trade coupled with "Peace Pipelines" will transform protracted conflicts between India and Pakistan and establish sustainable peace in South Asia.

End of military rule and the establishment of democracy in Pakistan, is also paving way for peace between two democracies of South Asia. Pakistan has a resilient judiciary and strong parliament that can effectively control its military and ensure peace and stability in the region. For Liberals, Initiation of trade is the strongest Confidence Building Measure (CBM) that will augment the track II diplomacy by easing-off visa regimes and increased people to people contact. It will help the people of India and Pakistan to build peace from below, and advocate for peace.

Some analysts might doubt the sustainability of peace in South Asia, resulting from mutual interdependence and still think that balance of power is the only guarantor of peace in South Asia. Mutually Assured Destruction (MAD) can surely contribute to peace in South Asia in the shorter run but will not be sustainable in the longer run. Mutual interdependence resulting from oil and gas pipelines, coupled with increased trade will be the most sustainable instrument of peace in South Asia.

Some analysts try to explain the recent rapprochement between India and Pakistan by using *realpolitik*, where Pakistan wants to improve relations with India for a short duration to focus attention on Afghanistan, and solve internal problems. For them its fragile peace that won't last for long. It is argued that in the context of South Asia, the theory of geopoliti-

⁴ Sayyed, Asad. "Gains from Trade and Structural Impediments to India Pakistan Trade", Collective for Social Science Research Karachi, Pakistan 2008. Accessed March 19, 2012. (http://www.researchcollective.org/Documents/Gains_from_Trade.pdf)

nomics⁵ have a greater explanatory power when it comes to rapprochement between India and Pakistan, where economic considerations have prevailed over political considerations, paving way for mutual interdependence and peace in South Asia. Geopolinomics an interdisciplinary theory - given by Aftab Kazi - combines Geography, Politics, and Economics to explain the events in South and Central Asia. Geopolinomics provide a middle-ground between geopolitics and geo-economics, where economics play a role to dilute the geopolitical considerations and pave the way for economic interdependence and Peace. Geopolinomics has greater explanatory power in the recent India-Pakistan rapprochement. It focuses on the energy outlet corridors, transit trade agreements and the prospects for the export of electricity and water through electric grids and pipelines. India – Pakistan relationships are more likely to grow under the geopolinomics influences taking shape all over Eurasia and South Asia with new forms of interdependence. Geopolinomics also explain the potential of peace through interdependence that will be sustainable and lasting.

Starting from pipeline construction in the next decade, South Asia will move towards the path of regional integration with Central Asia. In the next 20 years South Asia will move towards regional integration resulting into higher growth rates and non-violent conflict resolution. The fruits of cooperation will transform South Asia into a zone of peace and prosperity in the next 50 years.

⁵ Kazi, Aftab, "End of Geopolitics and the beginning of Geopolinomics", School of Advanced International Studies (SAIS), Johns Hopkins University, USA 2007

ALIGNMENT BEHAVIOR IN THE CIS : WHY NOT TO BALANCE? CASE OF UZBEKISTAN AND UKRAINE

Adila Aliyeva*

Steven Waltz brought to the realist tradition a deeper understanding of the international system within which states can coexist. He argued that international politics was different from domestic politics. In the domestic polity there is hierarchy of the organs and citizens have not to defend themselves because there are appropriate organs to ensure the security of the citizens. However, in international polity it is much more different. There is no higher authority than states to prevent and to counter the use of force¹. In order to solve the problem of war realist put forward the theory of "Balance of power". The claim that states create alliances in order to prevent stronger powers from dominating them lies at the center of "Balance of Power" theory². Although power is an important part of the theory, it is not the only one. Another main factor which rulers take into consideration when they decide with whom to align is threat. They try to guarantee themselves from the power which poses the greatest threat by balancing or bandwagoning. The greater the threat, the more likely that states will show alignment behavior. While defining the threat states take into consideration some other factors such as geographic proximity, offensive power, and aggressive intentions³. Therefore, we can state a new theory which is "Balance of threat".

States tend to balance for two reasons. First, by aligning against the strongest power and potential hegemony, states ensure that no state will dominate the system, and such kind of stabilizes the system and creates a new equilibrium or balance. Second, by joining the weaker side states increase their relative influence in the weaker coalition. While balancing is the alignment with weaker side, bandwagoning is the alignment behavior with the stronger. In general, balancing behavior is much more common than bandwagoning; we should expect bandwagoning to occur only under certain conditions. For example, after the Thirty years war, every attempt to achieve hegemonic power in Europe was balanced by new emerged coalitions created with the purpose to decline the hegemony state. At the same time, taking into consideration that bandwagoned state cannot be sure what to expect from the stronger state, balancing is much more preferable. When a state is bandwagoning the stronger state, it increases the resources available for the hegemony. Usually weak states are more tend to bandwagon rather than balance. They balance when the threatening power has equal power, when they face stronger ones and when alliances are impossible they are more likely to bandwagon. Kenneth Waltz claims, "..... On the weaker side, states both more appreciated and safer, of course, provided that the coalition they join achieves enough defensive power to ensure itself from attacking"⁴. In a refinement a balance of power theory, Stephen Walt argues that states ally to balance against threats rather than power alone. Waltz and Walt are in agreement that the dominant behavior of states is to balance, although they disagree as to the reason why balancing would occur. However, the bandwagoning theory suggests that states may join the stronger side in order to avoid immediate attack. In considering weak states that are often fragile, Waltz and Walt both conclude that bandwagoning is the most likely occurrence. Walt writes: "It is rational for weak states to balance power only when their capabilities can affect the outcome"⁵.

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¹ Tim Dunne, Brian Schmidt "Introduction: the timeless wisdom of Realism" Baylis, J. Smith, S. and Owens P. (2008). "The Globalization of World Politics", Oxford University Press. p. 98-102.

Ibid.

² Stephen M. Walt, "Alliances: Balancing and Bandwagoning", Cornell University Press, 1987, p. 98.

³ Ibid.

⁴ Waltz, "Theory of International Politics", p. 127.

⁵ Walt, "Origins of Alliances", p. 29-31.

In building upon Walt's argument, Steven David states are more concerned with threats than power alone, but he argues that the most pressing threats are domestic rather than external⁶. David's theory of "omnibalancing" suggests that leaders must react to the immediate security environment in which they exist, and they often prioritize domestic considerations in their alignment calculations. Richard Harknett and Jeffrey Vandenberg refined David's theory of "omnibalancing" and suggested that interrelated threats require leaders to keep an eye on external and internal forces, and balancing and bandwagoning are the basic responses to these threats⁷.

My article focuses on Post-Soviet region, and looking for the alignment behavior of the CIS states. The last two decades after the collapse of USSR, history proved that CIS states preferred bandwagoning alignment behavior. The question arises: "Why CIS states are afraid of balancing Russia when they have an opportunity to align with USA or with other Western states? I hypothesize that when internal threats and economic dependence is high, CIS leaders are more likely to adopt a strong pro-Russian alignment. Alignment behavior of CIS states can be affected by several variables; however, I am going to prioritize only two of them which are Internal Threat and Economic Dependence. Internal threats and economic dependence varies across CIS countries and taking together they provide framework for understanding the dynamic nature of alignment behavior of the CIS countries. While speaking alignment we shall look whether the country signed onto CIS Collective Security Treaty, whether the country allowed Russian bases on its soil, or whether the country signed a bilateral security treaty with Russia. There are also alternative variables which are the presence of Russian minorities in a given country, external pressures from the West, leadership personalities, the nature of a state's government or ideological similarities between leaders and countries. However, these variables cannot be the main ones which affect the alignment behavior of CIS rulers. As we know there are eleven non-Russian countries, however, I'm going to choose only two of them to test my hypothesis. These countries are Ukraine and Uzbekistan. I've chosen these countries for several reasons. First of all, as traditional alignment theories suggest stronger states are more likely to balance against Russia to ensure their security than weaker states, and Ukraine and Uzbekistan are some of the largest CIS states in terms of military strength, geographical size, economic resources and population. At the same time, these countries have different political systems. While Ukraine is a quasi-democratic state, Uzbekistan has an authoritarian regime in which little if any domestic political opposition exists. The third reason is that these countries allow generalization across the CIS countries. Ukraine is a western CIS country, while Uzbekistan is a Central Asian. From geopolitical aspect, both are vital for the security and stability of Eurasia and central to US policy concerns.

Russia is inevitably perceived as the most significant threat, based on its aggregate power, geographic proximity, ability to engage in offensive military operations and inclination to act upon its "neoimperial" ambitions⁸. In such an anarchic environment, traditional alignment theories would suggest that former Soviet republics are likely to balance Russia. However,

⁶ David, "Explaining Third World Alignment", p. 236.

⁷ Eric A. Miller, "To Balance or Not To Balance?", Ashgate Publishing Company, 2006, p. 13-15.

⁸ Eric A. Miller, "To Balance or Not To Balance?", Ashgate Publishing Company, 2006, p. 27-29.

the situation is vice versa. The reasons why CIS states are not balancing Russia as stated in my hypothesis are internal political threats and economic dependence on Russia. How could CIS states balance Russia? USA is the first great power with whom CIS leaders can balance Russia. Why USA? What are the interests of USA in the region? First of all, to support military operations in Afghanistan Washington is an interested power in the region which tried to have relations with the leaders of Central Asia and the Caucasus. From the geopolitical perspective, the continued expansion of North Atlantic Organization (NATO) serves as a guarantee to ensure USA's strengthening in the region while it is unclear whether CIS states will be able to fulfill the obligations of the organization. The spread of democracy throughout the world has become an important objective for the Bush administration, and therefore official Washington is interested to democratize the East. Economic interests are another driving force for USA and Western involvement in the region. The most important economic element of the picture is the export of oil and gas which involves more consideration after 9/11 in order to get a sufficient flow of oil at reasonable prices⁹. Despite all these factors which can make USA a good partner, neither Uzbekistan, nor Ukraine could balance Russia with USA.

Looking to Uzbekistan we can highlight the role of internal threats which played an important role in Islam Karimov's alignment calculation. For Karimov this was particularly clear at two different times. The first was in initial days of independence when civil war erupted in Tajikistan. He was afraid that intercommunal conflict could spread into Uzbekistan. Another concern was that this unstable environment could become an ideal breeding ground for religious extremism which might seep into Uzbekistan from Tajikistan and Afghanistan. These factors can be threatened for his political position, that's why measures needed to be taken to stabilize the region, and Russia was the only powerful state that can ensure Tajik-Afghan border and quell the situation in the country. Second time, the reemergence of political threats was the February 1999 assassination attempt on Karimov. Moreover, Islamic extremism began to operate out of Tajikistan and Afghanistan in the areas of Fergana Valley in Uzbekistan in the summers of 1999 and 2000, there appeared a necessity to cooperate with Russia. However, the situation changed a little after 1995 when the president secured his political position with referendum. These changes made Uzbekistan a welcomed partner of USA in the Bush administration's war on terrorism. However, the massacre in Andijon in May 2005 made it more difficult for US to accept Karimov's repressive tactics, especially after Karimov gave the US military 180 days to withdraw from its base at Karshi Khanabad. So, Uzbekistan had to turn back to Russia again¹⁰.

From economic aspect Uzbekistan took different path which was consist of two considerations: 1) the need to cooperate with Russia in the short term to assist the country's transition and prevent economic collapse 2) the need to increase domestic energy production to sever Uzbek economic dependence on Russian energy imports. Western economic resources were less forthcoming because Karimov was unwilling to implement economic reforms. He continued to intervene in the economy in order to prevent decline in country's economy. That decline could ultimately have political consequences. Uzbekistan could adopt a more independent alignment from Russia, but the long term question remains as to how long such a path can persist. That was the reason why Uzbekistan did not dare to create ties

⁹ Paul A. Papayoanou, "Economic Interdependence and the Balance of Power", *International Studies Quarterly* 41, 1997, p. 113-140.

¹⁰ Annette Bohr, "Uzbekistan: Politics and Foreign Policy, London Royal Institute of International Affairs, 1998, p. 58-60.

with West, and in the end turned to Russia. Overall look at Uzbekistan's history after USSR's collapse proves that internal threat to Karimov's political position and economic dependence on Russia made Uzbekistan to show strong pro-Russian alignment behavior¹¹.

What about Ukraine? After dissolution of USSR the first period in the history of Ukraine was 1991-1997 years during which Ukraine was looking to West and struggling with East. This was a period of "normalization" that led to series of agreements signed with the USA and NATO. The second period (1997-2001) was characterized with a gradual return back to Russia. Despite Ukraine's economic dependence on Russia, during Kravchuk presidency he gambled that he could find substitutes in the West which could lessen the existing dependence on Russia. However, the energy crisis of 1993-1994 was the most telling example of the gross miscalculation and the failure of this strategy. And this economic crisis led to Kravchuk's political demise in the 1994 presidential elections. Moreover, even though Kuchma also came to power in 1994 promising reforms, the reality of the political was that Kuchma's supporters similar to those of Kravchuk were interested in controlling the economic status quo or making sure that any reform measures will serve their interest¹².

More recently Ukraine tried to maintain its position of cooperating with Russia, while at the same time outlining more concrete steps towards greater integration into European security and economic institutions. By the end of the decade the lack of economic reform coupled with the political crisis in the fall of 2000 meant that the West was no longer a receptive audience, and were less willing and less trustworthy of Kuchma's talk of and change. During the "Kuchmagate" scandal linking Kuchma to the death of a Ukrainian journalist in the winter of 2000 political protest emerged against Kuchma and he turned to Russia for greater assistance. This led Ukraine back to the East and continued cooperation and dependence on Russia. In February 2002, Kuchma presented a schedule for Kyiv to meet EU accession criteria by 2011¹³. However, so called "Kuchmagate" scandal was the first prominent sign of his shift away from Euro Atlantic political ideals. The leader's personal image and the country's international image were tarnished during the presidency of Kuchma. As a result, when Kuchma and Yanukovich faced threat to their political position, they managed to manipulate parliamentary elections and prevent opposition figures to come to political stage. They managed it with the overwhelming support of Putin. At the same time, Ukraine has remained economically dependent on Russia in its trade relations, especially in the import of Russian energy supplies.

After "Orange Revolution" president Yushenko was trying to integrate into West through NATO, however Ukraine still remained economically dependent on Russia, and paid 179 \$ per 1000m³ which was pretty below in comparison with international market prices. Russia used its advantage on Ukraine and in 2008 Russian officials stated that from the year of 2009 the oil will be sold to Ukraine at market prices¹⁴. That news was shocking for Ukraine economy which consequently affected the political stability in the country. Struggle between Yushenko, Timoshenko and V. Yanukovich for president post of the country; and

¹¹ Gregory Gleason, "Uzbekistan: From Statehood to Nationhood", Nations and Politics in the Soviet Successor States, Cambridge University Press, 1993, p. 335-336.

¹² Eric A. Miller, "To Balance or Not To Balance?", Ashgate Publishing Company, 2006, p. 157-158.

¹³ Taras Kuzio "Ukraine under Kuchma", London Institute for European Defense and Strategic Studies, 2000, p. 157.

¹⁴ http://gunaz.tv/aze/37/newsCat/1/newsID/10841-Rusiya-Ukraynada-Timosenko-kartini-oynayir.html/newsPage_1/412, 6 October, 2008.

the presidential elections of 2010 ended with the victory of Yanukovich who is well known for his pro-Russian alignment behavior. Economic dependence of Ukraine from Russia never allows it to sever its relations with Russia and to become part of Europe. S. Huntington writes: "Ukraine is a torn state, and it tends to become a member of European family (another civilization), which is very difficult because it belongs to Slavic civilization."

All in all, we assume that internal threats and economic dependence on Russia influenced alignment patterns in predicted ways in both cases. The main driver in the Uzbek alignment patterns was Karimov's concerns with internal threats. Although Uzbekistan managed to sever its economic dependence on Russia (especially in energy aspect) by 1995, Russia remained its main trade partner in the region. After 2000 Uzbekistan began to take more moderate Russian alignment, because its economic and political dependence was not as strong as Ukraine's. On the other hand, in the new century Ukraine went from a strong pro-Russian alignment behavior. Economic dependence on Russia seemed to be the main element influencing Ukraine's alignment pattern since 2000. In the end our hypothesis and realist's arguments are proven. States tend to bandwagon when they face threat from the much stronger power. In our framework Russia as hegemony in the region is much more powerful state than Uzbekistan and Ukraine. In order to escape immediate attack, to provide the guarantee of political position, to maintain economic stability of the country weak states tend to bandwagon with hegemony. Internal threats to political positions of leaders and economic dependence on Russia made Uzbekistan and Ukraine to bandwagon with Russia rather than to balance. At the same time, alliances with western countries were unavailable for these countries, and Russia was hegemony in the region (geographic proximity). All these factors defined the alignment behavior of Uzbekistan and Ukraine.

GAS SUPPLY FROM AZERBAIJAN TO EUROPEAN UNION: LEGAL ASPECTS

Elmar Baghirov*

Energy topic has long been discussed in European affairs and its first links date back to 1951 when initial steps of the future Union has been taken as the clause on energy was added to the Coal and Steel Treaty. However, since then up to the Lisbon Treaty not even a single substantial move towards the liberalization and integration of the European energy markets has been made¹. With the Lisbon Treaty, a new page in the EU energy market has been discovered as a result of the introduction of the Third Energy Package. The growing attention towards the unified energy policy is mainly caused by the enormous dependence few actors. The structure of natural gas markets has been dramatically changed in recent years. The transformation from state controlled gas market to a liberalized market had a huge impact on the overall gas system. Furthermore, the EU Commission not only proposed regulatory mechanisms for member states with the aim of increasing the competition at national levels through the new package but also involved third countries into the so called "single regulatory European zone". "That has been pursued on the basis of extending the relevant EU acquis and the European Charter Treaty, in hopes of facilitating external suppliers' integration with the EU's internal energy market"². Thus, the recent tightening of energy policy of European Union generates great deal of heated debates not only within the Union but also outside of it. Major contributors to energy security of the community are concerned with the current trend which is aimed at limiting the authorities of both member states and non members on conducting independent energy policy, thus integrating this domain into the common sphere of interest of the Union. If we look generally at the trend of attention the energy security has gained in the last decade, we can clearly observe the growing interventionism of the European Union on energy policies of member states. Starting from 1996, Internal Energy Market concept occurred first in the form of Directives and Regulations on electricity and gas (in 1998) (as the First Energy Package), where basic rights for competition among producers and consumers have been established. It was followed by the Second Energy package which slightly altered the first one in 2003. However, the substantial changes emerged in 2007, when the Lisbon Treaty has been signed as a result energy issues for the first time appeared at the spotlight. It became an area of "shared competence between the Union and the Member States, even if 'measures significantly affecting a Member State's choice between different energy sources and the general structure of its energy supply' still require unanimous Council agreement"³. That means, some rooms for maneuver for member states has been retained.

Nevertheless, the critical question is why European Union has drastically changed its position in energy field and why it is important? There are many available responses. The first and most obvious one is the growing energy dependence (this dependency is projected to boost further at least in short-run) of the Union from external actors, particularly when it comes to gas dependency. Today, the three major gas sources: Algeria, Russia and Norway comprise about 75-80 % of EU natural gas imports⁴. Therefore, the diversification issue becomes vital in European affairs. Secondly, gas interruptions in 2006 and 2009 caused by Russia-Ukraine tensions had disastrous effect on political and economic life of the Union. It

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¹ Jose Marin-Quemada, Javier Garcia-Verdugo and Gonzalo Escribano, "Energy Security for the EU in the 21st Century", New York 2012, p. 196.

² Simon Bromley, "The European Union: A Player in World Energy Politics?" 2009, p. 244.

³ Bram Delvaux, Michael Hunt and Kim Talus, "EU Energy Law and Policy Issues", Brussels 2010, p. 2.

⁴ Filippos Proedrou, "EU Energy Security in the Gas Sector", Farnham 2012 p. 57.

is not surprising that energy became an integral, if not core element of the Lisbon Treaty in 2007, right after the first gas interruption case in 2006. Lastly, the EU attempts to consolidate and unify member states to all possible and consonant levels. This study has had several intentions. The first and the most important one is to analyze the ongoing trend in domestic energy policy of European Union and to define to what extent it affects and is affected. Since, European dependence from energy resources seems to be a permanent problem with possibility to aggravate in future, it becomes inevitable to understand how the EU deals with the upcoming challenges, especially in the field of gas. Secondly, it is important to grasp to what extent the energy contributors suffer and how they will react, in the context of the fluctuations in energy policy of the EU.

Internal and External energy policies of EU

Internal Energy Market launched by the Union in the middle of 1990's aimed at increasing the competition within the energy market by ensuring the access for energy suppliers, particularly for small entities, so that the prices for energy items go down. Another advantage of the common energy policy is the guarantee of the security of supply of energy resources through well established infrastructure and tied network system within the Union. However, before going deeper into analysis of the impact of energy reforms in European Union, it is worth presenting the background of those novelties. "In February 2011, the EU Heads of States and Governments declared the need to complete the internal energy market by 2014"⁵. The compliance with the given dates requires a well equipped system of checks and balances. In the Third Energy Package, the new necessary regulatory mechanisms, such as Agency for Co-operation of Energy Regulators (ACER) and European Networks of Transmission System Operators of Gas (ENTSO – G) have been introduced, as well as the role of National Regulatory Authorities has been strengthened. Moreover, unbundling regime's rules have been adopted and competitiveness of the gas market has been promised⁶.

Third Energy Package (TEP)

At this point we slightly move to the cornerstone part of our discussion, i.e. the package that has changed the whole picture of the energy world and still continues doing that. "On 13 July 2009, the European Union adopted TEP comprising three Regulations and two Directives set"⁷. With new institutions, more regulations and limitations the package aims at enhancing competition, liberalization and unification of the EU energy market. Overall, the Third Package on Energy without any discrimination is the latest, followed by first and second, regulatory framework presented by the Commission in order to overcome the challenges caused by malfunctioning of the Internal Energy Market. "The TEP is an ambitious legislative package both in scope and in aims, seeking, inter alia, to significantly strengthen the powers and functions of regulatory authorities, to break up vertical integration and promote interconnection investment"⁸. However, "nor should one overlook the increased reporting burdens on energy firms who are obliged to hand over a significant amount of confidential data, agreements, future investment plans etc. to the NRAs and/or the Commission"⁹. The expectation on TEP is very high due to the fact that it has been thoroughly prepared and presented, as well as rigorously controlled. Although in short terms TEP will

⁵ Press release of the European Union Commission, "Internal energy market: Commission refers Bulgaria, Estonia and the United Kingdom to Court for failing to fully transpose EU rules" (http://europa.eu/rapid/press-release_IP-13-42_en.htm) accession date (13th of February, 2013)

⁶ Vicki L. Birchfield and John S. Duffield, "Toward a common European Union Energy Policy", New York 2011, p. 25.

⁷ Bram Delvaux, Michael Hunt and Kim Talus, "EU Energy Law and Policy Issues" Cambridge-Antwerp-Portland 2012, p. 1.

⁸ Ibid. p. 9.

⁹ Ibid. p. 13.

not alter the whole system dramatically, in the long-run it is assumed to be an engine of the Internal Energy Market. "The Union has now equipped itself with a battery of legislation to pursue its energy policy goals-to truly pursue the 'Europeanization'" of energy policy, as the present Commissioner would claim"¹⁰. On the other hand, these newly created institutions are committed to ensure the success of the TEP via developing new framework guidelines, network codes and other means. "The complexity of this latest package is such that many if not most of the 27 member states have not been able to meet the major deadline of March 2011."¹¹

It is argued that not only member states are affected by the Commission's decision of tightening energy policy, but also non-member states and entities which largely contribute to the energy security of European Union. What are the levels those innovations may hinder the gas deliveries from Azerbaijan, for instance, is the question, which can also be addressed to other major gas contributors, that is worth scrutinizing and which remains vital to be responded. The first and foremost one is the limited flexibility that member states could negotiate gas deals with third countries, due to the fact that the Directive on Gas embedded in the Third Energy Package (TEP) had to be integrated into national law of each and every member states by March of 2011. However it was not the case in many member states. Therefore, those who missed the deadlines were brought before the European Court of Justice. For instance, in 2013 the Commission has launched three cases against Bulgaria, the UK and Estonia for late transposition of EU energy law into the national legislations¹². The second is the increasing role of the Commission in decision-making procedures on gas deliveries. Thus, as it is observed from first two arguments, there is a very clear trend of limited flexibility for member states while consideration of long-term gas contracts with third countries. Moreover, there are also direct implications for third parties (or non-member states) because of involvement into the Single Energy Market through the adoption of rules which envisages the involvement of vertical undertakings outside of the EU (See the third country clause). So, if in first two argumentations we could observe the indirect impact on non-member states, which could impede its willingness to further supply gas, the last reasoning demonstrates the direct implementation of necessary rules and procedures in order to become part of this bazaar.

Hence, the TEP is tacitly considered as the barrier for further expansion of Russian monopolization in gas market, it comes without doubts that other significant contributors, including Azerbaijan suffers from it. But what is that all about? What are those elements that threaten the current and future gas exports? The most important provisions of the TEP are the following: "Unbundling, Regulatory authorities, oversight and co-operation, Network co-operation, Transparency and record keeping; and access to storage and LNG facilities"¹³. "With the adoption of this Third Energy Package, transmission system operators of electricity and gas are obliged to collaborate within two international structures, i.e. the European network of transmission system operators for electricity (ENTSO-E) and for gas (ENTSO-G)"¹⁴. Whereas National Regulatory Authorities as well as Agency for Co-operation of Energy regulators intend to monitor the compliance of member states and their entities with the new energy package.

¹⁰ Ibid. p. 11.

¹¹ Ibid. p. 7.

¹² Internal energy market: Commission refers Bulgaria, Estonia and the United Kingdom to Court for failing to fully transpose EU rules, http://europa.eu/rapid/press-release_IP-13-42_en.htm (accessed 14th of February, 2013)

¹³ Bram Delvaux, Michael Hunt and Kim Talus, (2012), Ibid. p. 12.

¹⁴ Ibid. p. 1

So what does the Third Energy Package generically imply for Azerbaijan? There are different levels we should look at it. As it was already mentioned, the fact that the new rules and principles have been embedded in national legislation of member states enormously limits their flexibility in negotiations over the new long-term gas contracts. Furthermore, it is all about new institutions, new regulations, thus further complicated bureaucracies and loss of precious time which is inevitable for the whole gas routes from the Southern Corridor, in particular Azerbaijan. Moreover, taking into account the complexity of gas deliveries, with all its barriers and limitations, may discourage interested parties to supply and operate gas networks from Caspian Basin. Since, the Southern Gas Corridor is of a need for tremendous investments, (such as the production of Gas from Shah Deniz, enlargement of South Caucasus Pipeline (SCP) or construction of a new one, TANAP pipeline and another further to EU (NABUCCO West or TAP)), plus management and technical costs, investors and/or shareholders must eliminate any risks for their investments. This one reason is already sufficient for scrutinizing the current and possible implications caused by the Third Package. As the risks go high the prices go high, thus another challenge i.e. the guarantee for demand should be ensured. Therefore, it is important to have an overview of the new European energy market in a complex. Otherwise, even a sophisticated legal prospective may overlook the very point of gas deliveries. To recapitulate, the TEP is much more complicated than just set of policies on energy and the ignorance of its complexity and vastness may cause big troubles.

Legal barriers hindering realization of energy projects

Since the Southern Gas Corridor is a route that consists of different projects, interests of different shareholders, exporters and transit countries should be analyzed. In this regard, security of gas supply or demand or in other words energy security is a public good. Thus, an issue of management of this public good during legal disputes is of high importance. Therefore, it is suggested to look at each of the Corridor's project under the magnifying glass. Due to the fact the TEP deems unbundling of supply/generation from transmission, Shah Deniz Consortium would be a nice sample for a deep scrutiny.

Shah Deniz Consortium

The shareholders of the Consortium are comprised of BP (25.5%), Statoil (25.5%), Socar (10%), Total (10%), TPAO (9%), NIOC (10%) and LukAgip a joint venture of ENI and Lukoil (10%), but since the first four corporations will lead the energy negotiation team we will focus on them¹⁵. Basically challenges that those undertakings may face are close to zero. The cornerstone provision, which could hypothetically cause a problem for major suppliers, is the one on unbundling. Nevertheless the core problem is not even unbundling per se, rather the acquisition of shares in gas sales agreements (GSAs). The data is important because if the supplier takes part in transmission of the resources then it may be sued not only under the competence of violation of unbundling, but also as the perpetrator of competition laws. To put it simple, if in the gas sales agreement the seller will be presented as the group of four undertakings: BP, TOTAL, SOCAR and STATOIL (the assumption based on public sources, the relevant official data remains confidential), which as we know own the majority of votes in Shah Deniz Consortium (with 70% of shares), then several problems may occur. One of the challenges is the competition rule. Since, the supposed group of sellers is representing the same field of production, there is not much competition among the sellers as the Energy law of EU requires. Moreover, the question on tariff methodology

¹⁵ Guljiz Dadashova, AZERNEWS, "Shah Deniz consortium starts evaluation of gas transportation bids", http://www.azernews.az/oil_and_gas/51487.html (accessed April 10th 2013)

for the buyers is of great importance. Since, cost recovery mechanisms could be built through burdening buyers by extra fees while signing long-term contracts. Unfortunately some of those questions are too early to be addressed, hence it does not downplay the necessary attention to be paid on the composition of sellers.

However there are certain stages that automatically dismiss some of those possible accusations. First of all the EU energy package is applicable within its territory, i.e. non-member states are not bound to the EU directives and regulations, unless it (a third state) voluntarily decided to do so via bilateral agreement, via the membership to the Energy Community or as a candidate for future membership to the Union. None of the aforementioned qualifications is applicable to Azerbaijan, the host country of energy resource. However, there was a twinning project launched between the EU and Azerbaijan on harmonization of national legislations in gas and electricity sectors. Nevertheless, the agreement was not adopted, thus no binding mechanisms exist.

South Caucasus Pipeline

The South Caucasus Pipeline itself does not have any profound for possible litigation. Shareholders equally the same as in SD Consortium divide the shares of SCP. However, the possibilities for future challenges are there, because it is still quite ambiguous what the plans of SOCAR are towards the realization of the twin sister of SCP. The question on the ownership of the grid and the operator of the transmission system remains open. Depending on responses one would argue the degree to what the project of the pipeline till the borders with Turkey is vulnerable. Obviously, if SOCAR becomes both the operator and the supplier (which it plans to become) it may be subject to the investigation under certain circumstances. Firstly, if it becomes party to the Energy Community which obliges member states to follow the EU Energy law provisions. Secondly, if Azerbaijan binds itself through bilateral agreement to harmonize its national legislation with the one of EU. Thirdly, the least possible, SOCAR will be bound by EU Energy laws if Azerbaijan becomes a member to the Union one day. Another thing is incorporation of third country clause in the national legislation of non-member states, the legislation of which is far from harmonization with the one of EU. "Not all the EU's *acquis* can be incorporated into the legislation of third countries because it is not always a solution to the their problems and it can also be viewed as an undemocratic process (because norms are developed and modified without the participation of a third country)"¹⁶.

Trans-Anatolian Pipeline (TANAP)

Proposed in 2011, Trans-Anatolian gas pipeline (TANAP) project is aimed at delivering Caspian gas from Turkish-Georgian border to the Turkish-EU border. This project is considered as substantial part of the new route South Corridor. Before this corridor, there were mainly three routes delivering gas to EU: Russia, Norway and North Africa. The South Corridor is aimed to become the fourth. TANAP pipeline has been signed and ratified by both governments of Turkey and Azerbaijan.

The TANAP project will not run the risk of being litigated, at least in short-run. The core argumentation behind this is that the pipeline runs through the territory of non-member state. However, Turkey is an observer in the Energy Community. The major contribution of the Community is to mitigate the harmonization of EU energy law with energy laws of member states. Nonetheless, laws will enter into force only once Turkey becomes a fully-fledged

¹⁶ Bram Delvaux, Michael Hunt and Kim Talus, 2012, *Ibid* p. 287.

member to the Community. In addition it is expected that sooner or later when Turkish accession to the EU will be discussed, there is a high probability to include the transposition of Third Energy Package into the national legislation of the former. Since the harmonization is expected to start from gas and electricity domain, it should not come as a surprise, that an observer in the Energy Community will be requested to become a member and to transpose required principles into the national legislation. Only afterwards, Turkey may become a subject for investigation.

Nevertheless, the major question is whether in case of application of EU energy laws there is any substance for investigation process to be launched. Thus, if we observe the pipeline from EU energy law perspective the visible basis for accusation is the clause on Third Party Access. Since today SOCAR still possesses 80% of TANAP shares, it may be accused for violation¹⁷. However, there is a high probability that by the time the realization of the project will start, SOCAR will acquire no more than 51% of shares¹⁸. Another less apparent, but not the least important, is the capacity sharing mechanisms. Since, the TANAP is open to sources from Shah Deniz phase 2, any other Azerbaijani field or that is transported through Azerbaijan (thus the country will be a transit state). The dominance of supply will hardly be the subject for litigation, however the fact that it must somehow be linked to Azerbaijan, as it is envisaged in inter-governmental agreement may be linked to the competition law. In any case, none will occur once the status of the project remains the same as the current one, i.e. non-European.

NABUCCO West or Trans-Adriatic Pipeline (TAP)

The major and direct influence of the Third Energy Package on the Southern Gas Corridor is in the part which is located in the Union's territories, i.e. Trans-Adriatic Pipeline or NABUCCO West. Since both pipes maintain chances to be selected, it is worth scrutinizing both of them. First of all, the applicability of EU energy law does not necessarily mean its usage. In other words, even if NABUCCO West or TAP are located on the Union's territory they do not violate any provision, of the new directives and regulations, at least at larger scale. In NABUCCO West, all four countries, Bulgaria, Romania, Hungary and Austria successfully unbundled their transmission operators from supplier. Moreover, NABUCCO West can be deemed as the successor the NABUCCO project, thus acquire its exemption rights which NABUCCO gained in 2008-2009. However, the exemption presumes only partial, 50% exemption from unbundling. That is why the consortium decided to invite the SD Consortium to carve the share of NABUCCO West. At the same time, TAP applied for an exemption of 100%, which means full independence from unbundling. Nonetheless, the application is still under consideration. The expected date for the final result is the end of 2013. Undoubtedly, those immunities add extra guarantees for realization of the project, thus making them untouchable. However, few issues have to be emphasized in details. First of all the questions on the supplier is still to be addressed. Although the issue retains confidential, we have couple of assumptions to be made. First and the least possible is the consideration of Azerbaijan as the sole seller, if that is true the state won't be subject for investigation. This is because it will get share about 10-12 % out of 50% presented to the Shah Deniz Consortium. Thus it is not a violation of rules of the new directives and regulations, simply because 15% cannot mean 'to control' (according to the directive one entity cannot control both supply and operational part of the chain). Second and most likely assumption stands for the Energy Negotiation Team's (STATOIL, BP, SOCAR and TOTAL) acquisition of 50% shares of TAP or NABUCCO West. In

¹⁷ Aynur Jafarova, AZERNEWS, "Turkey to preserve its share in TANAP", http://www.azernews.az/oil_and_gas/52509.html (accessed April 20th 2013)

¹⁸ Ibid.

that case, an investigation process, aimed at identification of the level of control over TSOs by the supplier, might be launched. Despite on the assumptions and exemptions that the projects will get, there are measures that may mitigate the possible consequences. One option is to request from member states to grant the status of Project of National Interest (PNI) (to TAP or to NABUCCO West). For instance, Albania in 2013 decided to furnish such status to the TAP. Furthermore, the so-called Projects of Common Interest (PCI) “presented by the Commission on 19 October 2011, this regulation aims primarily to reduce the time needed to obtain building permits for projects of common interest, which under certain conditions may be eligible for EU co-funding under the new Connecting Europe Facility (CEF)”¹⁹. Noteworthy, those projects within the Southern Gas Corridor are in the ‘List’. Thus, the list of mitigation mechanisms is non-exhaustive, to that the observations of rules and harmonization of legislations can be added.

Means to mitigate the repercussions

While talking about the means, one should consider a set of policies which may mitigate the possible repercussions in complex, not just one aspect of the TEP, such as unbundling. One way to avoid all those challenges that may occur along with the introduction of the TEP is to gain exemptions for the projects. As we discussed earlier both NABUCCO West and TAP applied for exemptions. While NABUCCO West already possesses 50 % exemption from unbundling, TAP is still looking for 100% exemption approval. However, problems occur with the initiation not only of unbundling, but also of third party access, third country clause, new regulations on capacity allocation and many others. Therefore, Azerbaijan and its partners should also consider the latent long-term risks. Those risks may realize for instance through the harmonization processes between Georgia, Turkey and EU. Today, both Georgia and Turkey are observers at the EU energy Community, which does not hinder the implementation of the Southern per se, rather gives prospective for their future membership and thus obligations that they will acquire with the membership.

The EU mainly builds long-term relations with the third party, irrespective of the domain which constitutes the core of the relations, based on the three-level theory of approximation. The theory perfectly explains what the Union is attempting to apply, once we analyze its relationship with Russia. The first level is identification of common ground and approximation at the level of strategic goals and co-operation. The second is more precise and concerns the harmonization of specific areas and low scale goals. The third is the implementation process. The most important in these regards is the second level of approximation, due to the fact that if there is mutual understanding in specific areas the implementation will be effectively followed. What Azerbaijan should aim at is not approximation per se, which legally speaking is of a greater level of integration, rather than harmonization of energy policies, which is about bringing ‘national policies and standards’ in line with one another in energy domain. In fact, legal approximation and harmonization increasingly occur in agreements between non-member states and the EU.

"This process of legal approximation has been horizontal and one way (from the EU to its partners). Interestingly, the scope of this approximation, its substance and procedure have differed depending on the type cooperation between the EU and a third country. It can

¹⁹ Europolitics, The European Affairs Daily, <http://www.europolitics.info/sectorial-policies/agreement-on-rules-for-projects-of-common-interest-artb345723-14.html> (Accessed 25th of January, 2013)

be either total (as it is in the case of the EEA agreement (for most of the internal market legislation) or candidate countries) or partial and even sector specific (as the EU-Swiss relations demonstrate). In terms of the substance it can take various forms: export of fixed acquis, homogeneity, binding soft harmonization, approximation clauses as well as mutual recognition. Procedurally it can be complemented by consultations, by the right of partner countries to participate in the EU's decision shaping, by information exchange, or the EU's technical, administrative and financial assistance.”²⁰

Consequently, the harmonization is not only about binding itself to certain set of rules and principles, but rather diminish and eliminate the risks for further accusations by enhancing the awareness on those rules and principles.

Exemptions

To bypass the regulations and directives, there is a legal instrument called an exemption. We talk on exemption, when the EU consider some projects of high importance. Especially when the project contributes to the diversification of routes and unifies the networks within the Union, the pipe may be granted an exemption in pricing determinacy, exemption on unbundling and TPA for a certain period of time. As we mentioned earlier by now only NABUCCO West transport route from the fourth gas route has been granted an exemption on unbundling, whereas TAP's submission is still under consideration.

According to article 36 of the Directive, there are several basis for granting an exemption. The first and foremost is the possession of a new infrastructure:

1. Major new gas infrastructure, i.e. interconnectors, LNG and storage facilities, may, upon request, be exempted, for a defined period of time, from the provisions of Articles 9 (unbundling), 32 (TPA), 33 (access to gas storages) and 34 (access to upstream pipeline networks) and Article 41(6), (8) and (10) under the following conditions:

(a) the investment must enhance competition in gas supply and enhance security of supply;

(b) the level of risk attached to the investment must be such that the investment would not take place unless an exemption was granted;

(c) the infrastructure must be owned by a natural or legal person which is separate at least in terms of its legal form from the system operators in whose systems that infrastructure will be built;

(d) charges must be levied on users of that infrastructure; and

(e) the exemption must not be detrimental to competition or the effective functioning of the internal market in natural gas, or the efficient functioning of the regulated system to which the infrastructure is connected.

4. Where the infrastructure in question is located in the territory of more than one Member State, the Agency may submit an advisory opinion to the regulatory authorities of the Member States concerned, which may be used as a basis for their decision, within two months from the date on which the request for exemption was received by the last of those regulatory authorities. Where all the regulatory authorities concerned agree on the request for exemption within six months of the date on which it was received by the last of the regulatory authorities, they shall inform the Agency of their decision²¹.

²⁰ Bram Delvaux, Michael Hunt and Kim Talus, a book, 2012, Ibid., p. 284.

²¹ Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in natural gas and repealing Directive 2003/55/EC. <http://eurlex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32009L0073:en:NOT> (Accessed 14th of march 2013)

Those paragraphs (1) and (4) demonstrates the possibilities of both NABUCCO West and TAP routes to apply for further exemptions, not just an exception from unbundling regime. Thus, an exemption from the article 46 give an opportunity for suppliers and buyers discuss the tariff methodologies on gas sales without the direct involvement of NRAs. Both NABUCCO West and TAP fully comply with the first and fourth paragraphs, thus does not limit their intentions to apply for any kind of exemption they see a necessity for.

However, the forms of exemptions as well as procedures envisaged in paragraph 6 are explaining the extent to which the exemption can be accorded.

6. An exemption may cover all or part of the capacity of the new infrastructure, or of the existing infrastructure with significantly increased capacity. In deciding to grant an exemption, consideration shall be given, on a case-by-case basis, to the need to impose conditions regarding the duration of the exemption and non-discriminatory access to the infrastructure. When deciding on those conditions, account shall, in particular, be taken of the additional capacity to be built or the modification of existing capacity, the time horizon of the project and national circumstances²².

Thus depending on the needs and chances for approval, TAP and NABUCCO West consortium may apply for different exemptions as well as to different scope (full or partial). However one important question should not be overlooked and that is the institution that furnishes exemptions. "Under the conditions listed in the Third energy package, the competent national authority may grant an exemption from certain obligations, including from the obligation of Third party access, regulated tariffs and unbundling"²³.

Conclusion

To sum up, the whole Energy Package undoubtedly affects both Member States and third countries. However, the question is to what extent those policies exert its influence on new energy supplies, in particular Azerbaijan. Throughout the paper we have scrutinized each and every point the Directive and Regulations on gas introduced in the Third Energy Package. In spite of the presence of a number of disputable areas with the new Energy Law, the fourth gas chain coming from Caspian basin is to overcome those challenges. What we mean by chain is actors who are actively involved in its realization. At each level, (i.e. Shah Deniz Consortium, South Caucasus Pipeline (SCP), TANAP and NABUCCO West or TAP) certain states and undertakings are dealing with concrete provisions of the TEP. For instance, SOCAR as well Statoil are gambling by taking part in both supply/generation of gas resources (SOCAR shares 10%, Statoil 25.5% of Shah Deniz Consortium) and transmission of the network (SOCAR owns 80% of TANAP, Statoil owns 42.5% of TAP). Thereby, if Statoil may escape the violation of the EU legislation on energy as a result of the victory of NABUCCO West, SOCAR will have to tackle the issue due to the fact that TANAP is inseparable part of the Southern Gas Corridor. Having said that, we should also be clear about the aim of this relatively new energy policy. When the EU Commission launched the Third Energy Package initiative its first and foremost idea was to increase the competition, diversify the energy supply sources and decrease dependency from one country. Therefore, some scholars and journalists labeled the aforementioned package as the 'Gazprom Clause'. It is not a secret that the Russian monopolistic gas venture has been

²² Ibid.

²³ Questions and Answers on the third legislative package for an internal EU gas and electricity market http://europa.eu/rapid/press-release_MEMO-11-125_en.htm?locale=en (Accessed 5th of February, 2013)

long disturbing attempts of the EU Commission to create Single Energy Market. As a result, the litigation process has been kicked off couple of years ago against Gazprom. The process is still pending, but one can already argue that this is not a simple coincidence. One may argue then why parties to the Southern Gas Corridor are not subject to the trial. First of all gas, exports from Caspian Sea have not reached the Union yet. Secondly, if the project launches soon, SOCAR and its partners will have several leverages, such as political and economic. Moreover, the goals of the Package coincides with those of the Southern Gas Corridor as regards the aim of diversifying energy routes. Therefore the Commission may not target diversification and prevention of diversification (by legal means) at the same time. So, the possible gas deliveries from Azerbaijan will not be hindered, because it is not the major target of the TEP. Additionally, in order to avoid few legal aspects that might create an impasse and procrastinate gas deliveries can be overcome via exemptions and mitigated certification processes. As we have mentioned throughout the paper the Commission has got the utmost decision in both operations. Thus, there are no doubts left that TAP which applied for exemption will get one as it was the case with NABUCCO. The real and practical challenge for Azerbaijani gas today is the time needed for the realization of those projects, because of increased LNG and shale gas facilities as well as the development of renewable energy resources. Those latter developments may further decrease the need for foreign gas. Ipso facto Azerbaijan and its partners along with the accurate calculations should deem the timing issue.

YENİ NƏŞRLƏR – NEW PUBLICATIONS – НОВЫЕ ИЗДАНИЯ

“ПОЛВЕКА НА БЛИЖНЕМ ВОСТОКЕ”

Эльман Араслы



Эльман Араслы, являясь кандидатом наук, автором многочисленных научных статей и монографий на русском и арабском языках об истории, экономике и литературе арабских стран, посвятил большую часть книги анализу событий и политических процессов в арабских странах в период своей работы послом. В своей книге “Полвека на Ближнем Востоке” автор отразил динамику развития в этих странах, стремясь дать как историческую, так и современную оценку событий.

В книге дан анализ региональных проблем, в том числе различных аспектов арабо-израильского конфликта, иракского и ливанского кризисов, отношений арабских стран друг с другом на современном этапе, дипломатический отзыв и анализ связей между Ираном и Турцией.

В произведении исследуется место арабских стран на глобальной экономической и международной арене, их отношения с ведущими центрами влияния. В отдельной части автор рассматривает “Арабскую весну” и исходящие из нее тенденции.

В книге также подробно рассказывается об отношениях Азербайджана с важнейшей и авторитетнейшей структурой мусульманского мира – ОИС.

В произведении уделяется внимание и теме “армянского фактора” на Ближнем Востоке.

Книга была написана Эльманом Араслы во время последней служебной командировки в Иорданское Королевство.

“THE FORGOTTEN CONFLICT”**Andre Widmer**

“The Forgotten conflict” book, edited and published with the support of the Azerbaijani embassy to Switzerland, contains material collected by Swiss journalist Andre Widmer during his trips to the occupied Azerbaijani lands. Based on the hard facts, the book provides an insight into the history of the Nagorno-Karabakh conflict, its causes, difficulties of Azerbaijanis displaced from their homes, Khojaly genocide and other atrocities committed by Armenian armed forces in the occupied lands, official Yerevan`s

policy of illegal settlement, destruction of the Azerbaijani historical and cultural legacy.

The book, published in German and English languages, features photographs taken by the author. They reflect acts of vandalism committed by Armenians in the occupied Azerbaijani lands, in particular, Shusha and Agdam.

Andre Widmer has made a few trips to Azerbaijan in line with cooperation with the embassy of Azerbaijan to Switzerland. He eye-witnessed the situation in the occupied territories. The journalist has published a few articles on this topic in Switzerland and Germany. In these articles, the author labels Armenia as an aggressor and underlines that Nagorno-Karabakh and other territories are original Azerbaijani lands.

MƏQALƏLƏR – ARTICLES – СТАТЬИ

