

# TEAS

M A G A Z I N E



Culture | Public Affairs | Business



(Photo: Almagul Memlibayeva/YARAT)

## AN IMMERSIVE AZERBAIJANI EXPERIENCE AT THE VENICE BIENNALE

Also in this issue:

- Parliamentary election organisation applauded
- Caspian Region brought to the fore in Paris
- Brussels forum brings Azerbaijan and the EU back to business
- PACE report on Nagorno-Karabakh adopted
- The Azykh Cave – a casualty of war

11 / 2015  
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# Welcome to the TEAS Magazine

The European Azerbaijan Society (TEAS) is a UK-registered pan-European foundation dedicated to raising awareness of Azerbaijan and fostering closer economic, political and cultural links between that country and the nations of Europe.

As well as promoting the positive aspects of Azerbaijan, TEAS also highlights the plight of the 875,000 refugees and Internally Displaced Persons (IDPs) within the country. These people are unable to return to their homes and lands because of the illegal occupation of Nagorno-Karabakh and seven surrounding districts by Armenia's armed forces – in defiance of four UN Security Council resolutions.

## TEAS has three main facets to its operations:

- Culture – TEAS raises awareness of Azerbaijan's rich and vibrant culture to a worldwide audience by organising cultural events and operating as a networking centre.
- Business – TEAS supports its membership of European and Azerbaijani businesses. It provides a platform for organisations to establish links and strengthen their existing business relationships via a programme of networking opportunities across the regions.
- Public Affairs – TEAS works to increase awareness about Azerbaijan amongst key opinion-formers, key decision-makers and other political, academic and civil society stakeholders.

## In pursuit of its objectives TEAS:

- Organises meetings with interested parties, opinion-formers and decision-makers
- Arranges roundtables, seminars, lectures and conferences
- Publishes pamphlets, reports, bulletins, books and produces films
- Facilitates fact-finding trips by politicians and business people.

## Mailing List

TEAS is always bringing the latest news, views and interviews from Azerbaijan. Sign up to our mailing-list to receive the latest information straight to your inbox: [www.teas.eu](http://www.teas.eu)

## Facebook

The TEAS Facebook page is your chance to learn about the latest news, events, campaigns and other Azerbaijan-related items. Visit and 'like' our page at: <http://bit.ly/TEASFB>.

## Membership and Sponsorship

TEAS offers a range of corporate and individual membership packages, providing such benefits as advertising, trade missions, networking, business sector advice and hotel discounts.

TEAS also offers numerous sponsorship opportunities throughout the year for its events and conferences. To find out more, e-mail: [membership@teas.eu](mailto:membership@teas.eu).

## Win £100 of Amazon vouchers!

Firstly, congratulations to Steven Williams, Subsurface Data Analyst, Azerbaijan–Georgia–Turkey Region, BP, who won the competition in the October issue of the *TEAS Magazine*. To stand a chance of winning £100 of Amazon vouchers, simply answer the following five questions, the answers to which will be found in this issue. In the case of a tie, a draw will be made. Previous winners are ineligible to enter, as are TEAS employees and their families. Please send all entries to [editor@teas.eu](mailto:editor@teas.eu) by 17.00hrs (GMT) on 7 December.

1. Who led the PACE Election Observation Mission to the Azerbaijani Parliamentary Elections?
2. Which low-cost airline is about to resume flights to Baku?
3. Who is the new French Ambassador to Azerbaijan?
4. In which London venue will Sabina Rakcheyeva and the Deco Ensemble perform on 2 December?
5. Who is the Belgian Minister of State, who has twice visited Azerbaijan?

## Upcoming Event For full details of all TEAS events, go to [www.teas.eu/upcoming events](http://www.teas.eu/upcoming-events)

**20 November–27 December**

### Azerbaijani Chalet at the Mulhouse Christmas Market

Place de la Réunion and surroundings (city centre). Azerbaijani chalet: Intersection of Passage de la Demi-Lune/Rue des Cordiers

The Azerbaijani Chalet at the Mulhouse Christmas Market, organised by TEAS, represents the friendship agreement between the Azerbaijani city of Yevlakh and Mulhouse. Azerbaijani wine, juices, traditional pastries and tea and books/brochures about the country will be available. It will be the only chalet representing a foreign country, as all other booths are French.

Christmas Markets are an established tradition in the Alsace region (North-East France). Mulhouse is the second largest city of the region, after Strasbourg. Go to [www.etofferies.fr](http://www.etofferies.fr) for opening times.



Lionel Zetter, Director, TEAS

## From the TEAS Director

Elections were held on 1 November for the Milli Majlis (Azerbaijani Parliament). The governing party, the New Azerbaijan Party (YAP), won 70 out of the 125 seats. British observers, including Lord Evans (Labour) and Baroness O’Cathain (Conservative), praised the conduct of the elections. Altogether 503 international observers from over 40 organisations oversaw the election process.

Faced with the huge pressure of trying to ease the plight of millions of refugees from the conflict in Syria, the UN High Commissioner for Refugees (UNHCR) has taken time out to praise Azerbaijan’s efforts to cope with the 875,000 refugees and internally displaced persons (IDPs) from Nagorno-Karabakh and the seven surrounding regions.

The second TEAS Brussels Business Forum was held on 14 October. Around 100 delegates gathered to hear politicians, diplomats and business people expound on the huge range of opportunities for EU–Azerbaijani trade.

The state-sponsored ‘one stop shop’ ASAN received widespread praise after presenting at the *Civil Service Live!* event in London. The initiative aims to make the interaction between citizens and government bodies as simple and efficient as possible.

The London-based Globe Theatre company has performed Shakespeare’s *Hamlet* in Baku. TEAS supported this initiative as part of its ambitious programme to foster cultural dialogue and exchange between Azerbaijan and Europe.

**Lionel Zetter, Director, TEAS**



Members of the PACE Election Observation Mission give their perspectives at the Seckiler Media Centre

## Azerbaijani Parliamentary elections held

Parliamentary elections were held in Azerbaijan on 1 November, resulting in a victory for the ruling New Azerbaijan Party, which won 70 of the available 125 seats in the Milli Majlis (Azerbaijani Parliament). The turnout was 55.7 per cent, with over 2.89m voters casting their votes.

The Election Observation Mission for the Parliamentary Assembly of the Council of Europe (PACE) comprised 28 members, led by Jordi Xuclà (Spain, ALDE). The members were deployed in Baku and several regions, and observed in numerous polling stations. The elections were held in accordance with the Azerbaijani Election Code. The European Parliament, OSCE Parliamentary Assembly and OSCE/ODIHR did not send observation missions.

The PACE Observation Mission reported that election day was calm and peaceful, and that the voting process was generally aligned with international standards. It concluded that the Azerbaijani Central Election Commission contributed to the transparency of the process by releasing updates from the opening of the polls until the end of the counting and the tabulation of final results.

The PACE Mission and other stakeholders concluded that preparations for the elections and voting processes were professional and technically well-organised. Observers noted improvements in the access of voters to information, the inclusiveness of voter registration, and the quality of electoral materials. No major or systemic violations of the Election Code took place, nor was any pressure exerted

on voters, or any incidents reported in or near the polling stations.

A welcome development was the introduction of webcams in 20 per cent of polling stations, as specified by the Venice Commission. The PACE Mission concluded: “The significant increase in voter turnout and the transparency of voting and counting procedures demonstrate another step forward taken by the Republic of Azerbaijan towards free, fair and democratic elections, and the results of this vote express the will of the Azerbaijani people.”

Speaking to the Seckiler Media Centre, Lord David Evans praised the vote: “The parliamentary election in Azerbaijan was very transparent. I note that high security was provided at the polling stations.” Baroness Delta O’Cathain mentioned the advanced nature of election organisation, making particular reference to the large proportion of women participating in the election – both female voters and as members of election commissions.

She commented: “The difference between Azerbaijan and the UK lies in the fact that here the people value their freedom of choice. In London, the reverse is true, as people don’t want to go to the polls. Some forget that, a century ago, some women even sacrificed their lives to fight for the women’s franchise. In Azerbaijan, citizens show greater interest in the election.” She explained: “Yesterday, I visited six polling stations. I would like to emphasise the role of the rigorous identification process, which prevents double-voting.”

## Ambassador Bouchez takes up the baton

Elmar Mammadyarov, Azerbaijani Foreign Minister, has received H.E. Aurelia Bouchez, the newly-appointed French Ambassador to Azerbaijan. He congratulated the new ambassador, and expressed his wish that she would contribute towards further strengthening of relations between the two countries.

In 2014, trade turnover between Azerbaijan and France amounted to \$1.7bn

(£1.1bn), with French companies actively participating in the petrochemicals, food, agricultural, mechanical engineering, tourism and other sectors. Altogether, 91 French companies are involved as subcontractors in oil and gas projects, and over 50 French companies are participating in non-oil sector projects, including AzerSpace–1, the first Azerbaijani telecommunications satellite, and a plant for solid waste recycling.

## Azerbaijan's geopolitical role in the Caspian highlighted in Paris

In the context of the refugee crisis and changing relationships between the West with Russia and Iran – both of which are neighbours of Azerbaijan – this is a pivotal time for the South Caucasus powerhouse to demonstrate its importance to the region. On 21 October, these were highlighted during a panel discussion in Paris at L'Hôtel de l'Industrie, headquarters of the Société d'Encouragement pour l'Industrie Nationale (SEIN), located near the Sorbonne University and the centrepiece of French industry since 1852. The conference was organised by TEAS, the International Geostrategic Maritime Observatory (IGMO) and SEIN, and attended by over 60 delegates, including H.E. Elchin Amirbayov, Azerbaijani Ambassador to France; H.E. Aurelia Bouchez, incoming French Ambassador to Azerbaijan; and diplomats from the Iranian, Georgian, Russian and Turkish embassies, amongst others.



H.E. Elchin Amirbayov, Azerbaijani Ambassador to France, spoke on the essential geopolitical position of his country in the Caucasus region

Azerbaijan is currently in the midst of an energy revolution. The development of the Shah Deniz II full-field development has led to the 3500km, \$45bn Southern Energy Corridor, which will see gas piped to an Italian interconnector, thereby representing supply diversity for much of Europe, away from overreliance on Russian resources. This will initially see up to 16bn m<sup>3</sup> (bcm) of gas pumped to Turkey per year, and then Europe, by 2018 and 2020, respectively. The corridor is being constructed at over-capacity, and has the potential to carry up to 31bcm, augmenting Azerbaijani Caspian supplies with those from Central Asia – and possibly Iran – and transforming Azerbaijan into both a supply and transit country.

After Gilles-Henri Garrault, Vice-President: International Relations, SEIN, opened the event, Ellen Wasylina, President, IGMO, presented the special edition of the *Geostrategic Maritime Review – The Caspian Sea*.

Marie-Laetitia Gourdin, Director, TEAS France, commented: "This is an important time to hear about the strategic importance of the Caspian Sea. Azerbaijan is a major partner of the EU, located in the Caspian, and has established many business and commercial relationships with EU member countries. This publication is a very



Gulmira Rzayeva, Senior Editor of the *Geostrategic Maritime Review – The Caspian Sea* and Senior Research Fellow, SAM, delivered the keynote address (Photos: Stylin'Co)

important addition to the available literature on the country."

Gulmira Rzayeva, Senior Editor of the *Geostrategic Maritime Review – The Caspian Sea*; Associate, Oxford Institute for Energy Studies, and Senior Research Fellow at the Centre for Strategic Studies (SAM) under the President of Azerbaijan, said: "It is necessary to raise awareness of the countries around the Caspian Sea by organising events of this type in Paris and other capitals in Europe."

She continued: "Energy is certainly the most important issue in the Caspian region. In the publication, we tried to cover the Caspian from different angles. We included such topics as the Trans-Caspian Pipeline, which has geopolitical implications, in addition to the demarcation of the legal status of the sea. EU countries are key customers for Azerbaijan, as it reduces their reliance on Russian gas. Azerbaijan is developing the Southern Energy Corridor, and this represents an alternative energy source to Russian Gazprom. Liquefied Natural Gas (LNG) will be particularly important in the future. Iran has the resources, but it will need to produce more gas and oil."

Dr Efgan Niftiyev, Expert, Hazar Strateji Enstitüsü, who moderated the panel discussion, reiterated this, saying: "The Caspian is taking centre-stage in global geopolitics and is central to the former Soviet space. The West is interested in collaborating with the region in terms of energy security and has been primarily responsible for the development of resources in the region. Now we are seeing local companies involved in the development of the Shah Deniz field and construction of the Southern Energy Corridor."

Oktay Tanrisever, Professor at METU-Turkey, specialising in Regional Security, Energy and Environment and Turkish Foreign Policy, commented: "The development of the Eurasian Economic Union (EEU) since 2012 has resulted in Russia unleashing its power in the region, and Russia and Kazakhstan – two littoral states in the Caspian Region –

are members of the EEU. However, Baku has demonstrated its ability to pursue an independent policy."

Sonja Lekovic, Energy Analyst, International Energy Agency, explained: "The Caspian Sea has an important role to play in the world of energy. Azerbaijan continues to pursue an independent policy, is achieving its 2020 objectives, and has achieved a greater reduction in energy intensity of any country in the region, partly due to the replacement of oil with natural gas and the adoption of new, energy-efficient technologies."

Jane Amilhat, Deputy Head of Russia-CIS Unit, DG Trade, European Commission, continued: "We are in favour of greater economic integration, but this doesn't really exist in the Caspian Region. The countries need to be integrated with the world monetary market, and Azerbaijan is coming closer to this. The EU is seeking market integration, energy security and supply diversification and hence the Caspian Region is particularly important to us."



The expert panel comprised (from left) Oktay Tanrisever, Professor at METU-Turkey; Slavtcho Neykov, Chairman, Energy Management Institute, Bulgaria; Sonja Lekovic, Energy Analyst, International Energy Agency; Agathe Thomas, ENGIE Representative in Baku; Dr Efgan Niftiyev, Expert, Hazar Strateji Enstitüsü; and Jane Amilhat, Deputy Head of Russia-CIS Unit, DG Trade, European Commission

Agathe Thomas, ENGIE Representative in Baku, concluded: "Azerbaijan, Turkmenistan and Kazakhstan account for 13 per cent of the world's gas reserves. With around 18 per cent of total reserves – making it the top potential supplier of gas – Iran has the potential to become a major export country, and this will be a gamechanger. Azerbaijan is an oil producer with huge ambitions for gas and has the potential to produce 30bcm per annum." The evening concluded with a question-and-answer session and cocktail reception for more informal discussions.

## Perchance to dream in Baku

On 3 October, the National Academic Drama Theatre resounded to the words of William Shakespeare – the immortal Bard of Stratford-upon-Avon – when the Shakespeare's Globe theatre company came to Baku. The performance was just one stop for the *Globe to Globe Hamlet* initiative, which is aiming to perform *Hamlet* in every country in the world over a two-year period, thereby commemorating 450 years since Shakespeare's birth and 400 years since his death (23 April 2014 and 23 April 2016, respectively).

The British Council organised the performance in partnership with the Azerbaijani Ministry of Culture and Tourism and TEAS. Azerbaijan was the first stop on the Caucasus leg of the tour, and the company left the following day, headed for Georgia.

The performance attracted a full house to see the production on a necessarily portable set. With actors doubling as stage crew, and playing live musical interludes featuring folk music from various cultures, this was certainly a constantly interesting and energetic performance. The costumes and sets, which used the lightest touches to indicate character and status, helped bring action and characters through the fourth wall, as did strong performances in the leading roles.



The Bakuvian audience was transfixed by the climatic sword fight between the doomed Hamlet (Ladi Emeruwa) and Laertes (Tom Lawrence) (Photo: Venue)

The language barrier was overcome by the projection of Azerbaijani surtitles onto a curtain, and the audience remained engaged and rewarded the troupe with an enthusiastic standing ovation, requesting their return in the near future. For more information on the *Globe to Globe Hamlet* project, go to [www.globetoglobe.shakespearesglobe.com](http://www.globetoglobe.shakespearesglobe.com).

## Latino spirit on the Omnibus Clapham

Azerbaijani violinist Dr Sabina Rakcheyeva, Cultural Advisor, TEAS, has joined the other members of the Deco Ensemble (Bartosz Glowacki, accordion; Ricardo Gosalbo, piano; Rob Luft, electric guitar; and Elena Marigómez, double-bass) for a performance at the Omnibus Clapham in South London, as part of the second Spanish Song and Zarzuela Festival.

The repertoire comprised a rich and vibrant mix of compositions, including two works by the contemporary Argentine composer Ramiro Gallo – namely *El ultimo kurdo* and *La malenas*; *Encuentro* by the France-based Argentine composer Gustavo Beytelmann, which forms the titular track on the Deco Ensemble's debut album; numerous works by Astor Piazzolla, who played a main role in developing the tango nuevo genre – including the romantic *Mumuki*, written

in 1984 and dedicated to the composer's wife (and his favourite dog); *Triunfal*, one of his earliest compositions, dating back to his studies in Paris under the tutelage of Nadia Boulanger; the languorous *Oblivion*, composed for the soundtrack of the film *Enrico IV*; and the exciting and devastating *Tango de Diablo (Devil's Tango)*.

Spanish soprano Laura Ruhi Vidal then took the stage during the second half of the performance to perform the evocative *Cinco canciones negras* by Xavier Montsalvatge, inspired by the music of Cuba. Following a standing ovation, the concert concluded with the exhilarating tango *Toda mi vida*, composed by Aníbal Troilo in 1941.

The next London concert for the Deco Ensemble will take place on 2 December at



The Forge, 3–7 Delancey Street, Camden, London, NW1 7NL at 7.30pm. To book tickets, go to <http://bit.ly/decoforge>, and to order *Encuentro*, visit [www.decoensemble.com/music](http://www.decoensemble.com/music).

## Jamal Aliyev to perform Tchaikovsky's showpiece

Acclaimed by Julian Lloyd-Webber as a "most talented young cellist" and Steven Isserlis as "highly accomplished", London-based Azerbaijani cellist Jamal Aliyev – a student at the Royal College of Music (RCM) – is on the brink of classical music stardom. He has recently recorded his debut album *On a Russian Theme* with Ukrainian pianist Anna Federova (Champs Hall Records) and this year has won the RCM Concerto Competition, RCM Violincello Competition and the Croydon Concerto Competition.

On 11 December, classical music aficionados will have the chance to hear him perform Tchaikovsky's *Variations on a*

*Rococo Theme*, one of the most exciting and technically demanding pieces in the cello repertoire, for which the RCM Philharmonic will provide an accompaniment. The other pieces on the programme are Liszt/Searle's *Le lugubre gondola*, inspired by the Grand Canal in Venice; Webern's influential and atonal *Five Orchestral Pieces*; and Tchaikovsky's suite from *The Nutcracker*. The concert will take place at the Amaryllis Fleming Concert Hall, Royal College of Music, Prince Consort Road, London, SW7 2BS. Tickets are £8/10 and can be booked on [boxoffice@rcm.ac.uk](mailto:boxoffice@rcm.ac.uk). For more information on Jamal Aliyev, go to [www.jamalaliyev.com](http://www.jamalaliyev.com).



Jamal Aliyev will demonstrate the full extent of his formidable technique

## Gulmira Rzayeva – the tipping point of pipeline politics

Gulmira Rzayeva is a Senior Research Fellow for Energy-Related Issues at the Baku-based Centre for Strategic Studies under the President of Azerbaijan (SAM) and Associate at the Oxford Institute for Energy Studies. She holds a BA in International Relations from Baku Slavic University and an MA in Global Affairs from the University of Buckingham; she co-authored the report *Strategic Imperative: Azerbaijani Gas Strategy and the EU's Southern Corridor* published in the *SAM Review Journal* and is the author of *Natural Gas in the Turkish Energy Market: Policies and Challenges* and *Outlook for Azerbaijani Gas Supplies to Europe*, published by the Oxford Institute for Energy Studies. Most recently she was the Senior Editor for a special edition of the *Geostrategic Maritime Review* focusing on the Caspian Sea, published by the Paris-based International Geostrategic Maritime Observatory (IGMO).

On 21 October, Gulmira was the keynote speaker at the launch event for this publication, entitled *The Caspian Sea – Geopolitical and Geostrategic Stakes for the Wider Region*, which took place in Paris in the historic surroundings of the Hôtel de l'Industrie, headquarters of the Société d'Encouragement pour l'Industrie Nationale (SEIN), supported by IGMO, SEIN and TEAS France (see report p.4). Neil Watson spoke to her following the launch:

**Why did you think it was important that this conference was held at this particular time?**

Unfortunately, as we have both noticed, there is still little interest in the Caspian region amongst decision-makers in such European capitals as Paris, Brussels or London – other than regarding energy issues. The region seems to be down the international priority list. It is very important, at the present time, to bring visibility to the region. This is particularly the case, as it is being accorded greater importance in terms of geopolitics. The Caspian region is now playing an important role as a separate player or actor across the wider Mediterranean region, Middle East and Africa. This became even more important after Russia fired missiles from its warships in the Caspian Sea at Islamic State targets on 7 October.

This development places Azerbaijan centre-stage, as it was the first player to open up the Caspian to world markets. Today's conference made the Caspian visible to the French political community and diplomats from the Iranian, Georgian, Russian and Turkish embassies, amongst others. It is imperative to organise this kind of conference to explain why this region and the issues under discussion should



Gulmira was Senior Editor for a special edition of the *Geostrategic Maritime Review* focusing on the Caspian Sea, recently launched at the Hôtel de l'Industrie in Paris (Photo: Stylin'Co)

be important, and to demonstrate why the region is relevant to the French business community.

**Would you say that Azerbaijan is the dominant country in the Caspian region because of its tremendous reserves of oil and gas, and also the way it has marketed those since regaining independence?**

Other littoral states, such as Russia, Kazakhstan and Turkmenistan have much greater oil and gas reserves than Azerbaijan. However, Azerbaijan is the dominant player in the region because Russian oil and gas reserves are not located in the Caspian Sea, nor are Turkmen reserves, which are mainly onshore. West Kazakhstan has reserves in the Caspian Sea. However, Azerbaijani resources are largely offshore in the Caspian and – aside from this – it is the only country to open up the Caspian Sea to the world market.

Azerbaijan currently exports oil to the world market and gas to Turkey and Georgia, and will export gas to Europe through the Southern Energy Corridor by 2020. No other littoral state has achieved so much since independence. All other littoral countries still depend on Russia to receive their oil and gas exports – this is particularly true of Kazakhstan and, to a lesser extent, Turkmenistan, which have completely failed to steer an independent policy. Azerbaijan is the only state that has succeeded in pursuing what is most important, adopting a truly independent

energy and foreign policy without reliance on other states.

Uzbekistan is also a gas-producing country, but it domestically consumes the majority of its production, the remaining gas being exported to the Russian market.

**The relationships between Azerbaijan with the EU, Russia and Iran are fluid. How do you think Azerbaijan is repositioning on a geostrategic level?**

On a geostrategic level, EU–Azerbaijani relations remain very strong. Both Azerbaijan and the EU are definitely interested in maintaining good political and strategic relations because we are launching the Southern Energy Corridor worth \$45bn – which will bring 16bn m<sup>3</sup> (bcm) of Caspian gas to Europe by 2020. Also, more than 50 per cent of our trade is with the EU. However, the EU sometimes demonstrates double standards on political issues, most notably passing a resolution against Azerbaijan that has damaged its relationship with the country.

It is good that our relationship with Russia is improving, as we have huge mutual interests. There is certainly a lot of shared history, but also there are many economic projects that we can realise together with our biggest neighbour, in terms of investments and energy projects. Russia is our second biggest trading partner, after the EU.

We also see many opportunities for Azerbaijani–Iranian collaboration. Iran

is the top gas producer and its territory holds the largest amount of gas reserves in the world. There are many opportunities for Azerbaijani companies to invest there in energy, agriculture and industry. In my view, both sides can benefit from such co-operation, as I think if the Iranian people and decision-makers in the country decide to send this gas to Europe – which seems uneconomic in comparison with such possible alternative options as transportation in liquefied natural gas (LNG) format or even potential domestic consumption – then the only available infrastructure will be the Southern Energy Corridor. This pipeline is designed to be upscalable.

**The Southern Energy Corridor has been built at over-capacity – it can carry up to 31bcm per year – but is it correct that another parallel pipeline could be constructed along the same route?**

The pipeline is designed so the capacity can be increased in three stages. If there is gas available for transportation, and the gas companies request more capacity, then the Shah Deniz consortium will consider this and calculate if it is financially viable to invest and augment the capacity to transport these additional volumes.

I don't think those companies investing in Iran will be interested in investing billions of dollars in building infrastructure within the country themselves. It will be more commercially beneficial for Iran to export this gas to neighbouring countries in the South or Middle East, or either as LNG or through a pipeline. LNG is not new for Iran – the first LNG project was discussed there in the early 1970s. With assistance and investment from overseas companies, they can build the LNG plant and export the gas using that method in future.

In my view, this will become the main form

final investment decisions. Gas production prices could reduce considerably, but there will still be sufficient revenues to justify constructing the necessary plants, infrastructure and storage facilities.

**Will the Baku International Sea Port be partially used as an LNG terminal?**

The Baku International Sea Port is predominantly designed for receiving goods and containers from the Far East, mainly from China, prior to further transportation to European markets. This reduces the transportation distance and saves both time and money. Azerbaijan is now set to become central to the transportation of goods from East to West. This is an economically attractive proposition for Azerbaijan, as it will help with the drive to diversify the economy away from overreliance on energy incomes – the importance of which has become apparent this year – and would bring long-term liquidity for decades to come. This was also the motivation behind the construction of the Baku–Tbilisi–Kars (BTK) railway, which is currently in the final stages of completion.

**We earlier discussed the lack of understanding of Azerbaijan by decision-makers across Europe. In your view, will construction of the Southern Energy Corridor enhance understanding of the relevance between Azerbaijan and the EU?**

This certainly should be the case – the gas will be piped to Greek and Italian markets, from where it could be transported to the EU market, as Italy is well-connected by cross-border infrastructure with neighbouring countries. Azerbaijan is set to become an important energy partner for the EU. The companies buying Azerbaijani gas have large markets, both in Europe and in other European countries. For example, ENGIE has contracted a large proportion



The special edition of the *Geostrategic Maritime Review* delineates many of the current issues impacting the region and increasing its importance on the international agenda

The Southern Energy Corridor is a new route using alternative infrastructure. It is secure and safe, and should not be impacted by supply interruptions. The EU should appreciate this, and it will increase the importance of Azerbaijan as a major player.

**Do you think there is the potential for EU–Azerbaijani relations to be restored?**

There are many reasons to be optimistic about the restoration of EU–Azerbaijani relations. We are here to help the EU diversify its gas supply sources, but not to do whatever the EU dictates or wants. Sometimes they try to force issues that are unacceptable to Azerbaijan, so this affects our relations. The EU should recognise the unacceptability of its approach towards the internal policy of such countries as Azerbaijan.

The EU also often demonstrates double standards – it acted immediately and placed sanctions on Russia after the annexation of Crimea, but has never placed sanctions on Armenia due to its occupation of Nagorno-Karabakh and the seven surrounding districts. It has never been clarified why it recognises Russia as an aggressor, yet not Armenia.

**In your view, is this inactivity due to the fact that so many members of the Armenian diaspora occupy leading positions in business and politics around the world?**

This is not a valid reason for such inactivity, nor justification for the EU resolution against Azerbaijan, which was passed purely in its own interests. It is actually in the interests of the EU to heal the Armenian–Azerbaijani conflict over Nagorno-Karabakh, but they have never done so, and seem to have forgotten about it. The EU always reiterates its support for the OSCE Minsk Group, but this has achieved nothing in over 20 years of negotiations.



Gulmira is flanked by H.E. Aurelia Bouchez, the newly-appointed French Ambassador to Azerbaijan, and H.E. Elchin Amirbayov, Azerbaijani Ambassador to France, at the launch event

of gas transportation in the future – we will see much more LNG. There is the potential for markets to become awash with LNG, as there are so many countries considering

of Azerbaijani gas and has businesses in Belgium, France and some other European countries. Many countries will benefit from new, alternative sources of gas.

To order a copy of *The Geostrategic Maritime Review: The Caspian Sea*, email [communications.assistant@obgms.org](mailto:communications.assistant@obgms.org)



## The past seen through the prism of the present

As part of the Azerbaijani contribution to the 56<sup>th</sup> Biennale di Venezia International Art Exhibition, the Gothic majesty of the 15<sup>th</sup> century Palazzo Barbaro has been harnessed by the contemporary art world for the first time to explore the connections between Venice and Azerbaijan through a large-scale metal, shadow and sound installation, juxtaposed with sculpture and video work.

With the *Union of Fire and Water*, innovative Azerbaijani sculptor Rashad Alakbarov and Kazakh video artist Almagul Menlibayeva have drawn upon the history of the Palazzo Barbaro, which was created by a Venetian Ambassador who travelled extensively to Azerbaijan in the late 15<sup>th</sup> century. The two artists also found inspiration in the Palace of Happiness, a Baku landmark constructed in Venetian Gothic style in 1908.

Almagul's ten-channel video installation was projected through five rooms of the Palazzo Barbaro and told the story of the Palace of Happiness via the intertwined history of the two buildings. Erected for his beloved wife by Murtuza Mukhtarov, one of the first Azerbaijani oil magnates, the story of the Palace exemplifies wider themes of unity and conflict, love and violence. The large-scale shadow, sculptural and architectural pieces created by Rashad were located in the interior and exterior of the building, a careful arrangement that complements the original architecture and further explores the dualities between East and West.

The project was commissioned by YARAT, a not-for-profit arts organisation based in Baku, dedicated to nurturing an understanding of contemporary art in Azerbaijan. This is the second collateral project commissioned by YARAT for the Biennale di Venezia and follows its *Love Me, Love Me Not* project at the 55<sup>th</sup> edition. YARAT has also just opened a new Contemporary Art Centre in Baku, being its first permanent exhibition space. YARAT has commissioned over 140 projects since its inception in 2011. Neil Watson caught up with Almagul at home in Almaty to find out more:

**How did the concept for the *Union of Fire and Water*, juxtaposing the sights of Baku and Venice, evolve?**

I was asked to participate in the project by Suad Garayeva, the curator, and was very excited to be able to contribute on many fronts. Our first research trip was to the exhibition space in Venice – the Palazzo Barbaro – to assess its technical limitations. Following this, I visited Baku for an introduction to Murtuza Mukhtarov's Palace of Happiness, built in 1908 by Józef Ploško, a Polish architect who became Chief Architect of Baku. As an outsider to Bakuvian culture, I wanted to build on my knowledge of this Baku–Venice dialogue.

Suad introduced me to Fuad Akhundov, a Bakuvian historian, who focuses on the early 20<sup>th</sup> century. My conversations and correspondence with him effectively defined the final dramaturgy of the installation and



The video takes its point of departure from the story of oil magnate Murtuza Mukhtarov and his opulent Place of Happiness in Baku

helped me structure the rhythm and flow between rooms. Emphasising the physical, social, political, and economic milieu in which the actions took place helped me build the psychological underpinnings of the characters and the various metaphorical expressions in the interplay of thematic concerns.

Giosafat Barbaro, the 15<sup>th</sup> century Venetian Ambassador to Persia, also played a strong role in the narrative. In many ways, I see my video installations and Rashad Alakbarov's sculptural installations as a continuation of the diplomat's book *Journey to the Tanais, Persia, India, and Constantinople*. This provides a succinct description of his travel and service to Persian Sultan Uzun Hassan. The sudden escape of Barbaro, due to changes in the political situation caused by the death of Uzun Hassan, created invisible parallels with the early history of Venice. The destruction of important Christian churches to facilitate the construction of mosques during the political struggle for supremacy between the Abrahamic religions in Alexandria also gave birth to an important symbol of Venice – St. Mark's Lion. The identification of the different symbols between cultures and places plays an integral role in the *Union of Fire and Water*.

For me, the creative, working process alongside Suad and Rashad resulted in fascinating research, and the stories in the project opened a multiplicity of historical layers regarding the concept of 'globalisation.'

**To what extent is the installation specific to the Palazzo Barbaro?**

Venice-Baku is a site-specific video installation, created especially for two cities and two Palazzi. YARAT Contemporary Art Space is planning to continue the dialogue by installing the exhibition in the Palace of Happiness in Baku. I think experiencing the project in Baku, through the eyes of our protagonist, would be an interesting reconsideration of the Bolshevik invasion of Baku in 1920.

**What unites the architecture of the Palazzo Barbaro with that of the Palace of Happiness?**

The cinematic concept behind the Palace of Happiness was a combination of two Bakuvian Gothic Venetian buildings. Named Ismailia, the other building – also designed by Józef Ploško – was directly inspired by the Palazzo Ducale in Venice.

In my story, I wanted to highlight the significance of the International Gothic (Sondergotik) cultural phenomenon, which



The project harnesses the antique opulence of the Palazzo Barbaro to elicit empathy and understanding from visitors

is known for its colourful elegance and expressive forms. Of course, the unique case of European values being implanted in Baku was attributable to the rapid industrialisation brought about by the oil boom.

**What are the aims of the video installation?**

My ten-channel video installation is based on the story of Mukhtarov's suicide – in 1920, when the Bolsheviks occupied Baku, he shot three Russian officers who entered the Palace of Happiness, before turning the gun on himself. The video is set in his Bakuvian Palace from 1908, juxtaposed with the 15th century Venetian Gothic palace.

The four windows of the adjacent rooms show a synchronised video installation depicting views of modern Baku. Amongst distressed and forgotten furniture, a frightened cat and a falling chair, the main three-channel film installation puts the audience in contact with Mukhtarov's events. Rashad's work also engages the history of Mukhtarov, through a personal account of these events.

**To what extent did the artists collaborate with each other?**

I greatly appreciated the opportunity to collaborate with Rashad, despite the geographical distance between us. I would also like to mention the integral role of Suad. Creating the *Union of Fire and Water* has been an immersive process for all of us.

An outstanding and important part of the collaboration between Rashad and myself was the music and sound composition created by Ukrainian musical artist German Popov. He combined his in-depth knowledge of traditional Azerbaijani mugham with contemporary electronic sounds to produce a soundtrack that combines all elements of the artwork into a seamless entity.

**How is interactivity with viewers achieved in the installation?**

I could not give a better example of audience interaction with my video installations than having witnessed a young curator in tears, or visitors showing me their goosepimples after viewing the exhibition.

**How did the critics receive the installation?**

The installation was received very positively by critics, due to its immersive and unique approach towards exploring historical interrelationships and opening up viewers' minds to these events of the early 20<sup>th</sup> century that are unknown to many.

YARAT Contemporary Art Space  
www.yarat.az

*The Union of Fire and Water*  
www.bakuvenice2015.com

Almagul Menlibayeva  
www.almagulmenlibayeva.com

Rashad Alakbarov  
www.rashadalakbarov.com

## The Azykh Cave – emblematic of Armenian destruction

by Faig Ismayilov, Chairman, Public Association on Protection of Historical Monuments in the occupied territories of Azerbaijan

Since 1992, due to the ongoing Armenian–Azerbaijani conflict over Nagorno-Karabakh, many historical and cultural monuments in the occupied territories have been deliberately destroyed and undergone unlawful excavations by the occupying Armenians, who have misappropriated numerous archaeological finds, including household items, tools and other examples of cultural heritage. One of the monuments affected in this way is the Azykh Cave – one of the most ancient protohuman habitations in Eurasia – located in the Azerbaijani village of Khojavend in Nagorno-Karabakh.

Discovered by locals beneath the undergrowth of thick bushes in 1960, the Azykh Cave ranks amongst the most important archaeological discoveries in Azerbaijan. From 1960–86, a Palaeolithic archaeological expedition from the Institute of History of the Azerbaijan National Academy of Sciences (ANAS), under the guidance of archaeologist Mammedali Huseynov, undertook a comprehensive excavation of the Azykh Cave. Such archaeologists as Demir Hajiyev, Asadullah Jafarov and Arif Mammadov organised numerous archaeological digs over many years. Thereafter, archaeologists from France, Italy, Germany, Russia, Spain, Georgia and other countries came to Baku at the beginning of the 21st century, became acquainted with the artifacts found in the Azykh camp, and indicated their appreciation of the research that had been undertaken.

The extensive archaeological excavations of the Azykh camp, undertaken by Azerbaijani scholars, studied 80 per cent of the site. Although Azerbaijani scientists had insufficient time in which to complete their excavation works on the Azykh cave, they achieved some significant results. During the past 40 years, Azerbaijani archaeologists published more than 10 monographs and 200 scientific articles dedicated to the scientific study of the Azykh Cave. It was proven that a jawbone found in the Azykh Cave dates back between 350–400,000 years and this date was confirmed at international scientific conferences.

The Azykh Cave, located in the valley of the Kura and Araz Rivers, in the Tug concave of the left bank of the Quruchay canyon, has been listed by UNESCO as an ancient cultural monument. The finds from the cave have great scientific importance, and provide an insight into the lives of those living there during protohistorical

times. The topography of the Quruchay Valley also played a significant role in the life of the population, as the inhabitants of Azykh used Quruchay cobbles to fashion their tools and household items. They also established the hunting tradition in the country, which was first undertaken in the valley. Indeed, scientific studies revealed that, during the Palaeolithic period, the valley provided all that was necessary to sustain primitive man.

It is thought that most tools in the Azykh Cave were made some distance away, yet still within Quruchay, and later brought to the camp. Only finished tools were found at the lowest levels of the camp and no waste materials were detected.

The artifacts unearthed during archaeological excavations at the Azykh Cave shed new light upon this period of prehistory and, taking into account the unique methods used to fashion the tools in the cave, the newly-discovered artifacts received a new appellation – Quruchay archaeological culture. During scientific analysis of these stone items, several developmental layers of Quruchay culture were identified, as the early tools were simple and rough, whereas later tools were fashioned using refined techniques.

Subsequent scientific research indicated that Acheulian culture replaced Quruchay culture. The richness of the artifacts found in the ancient Acheulian layer is indicative that many generations of primitive man lived in the Azykh Cave.

Scientific research undertaken by Azerbaijani scientists identified the similarities between the tools from Quruchay culture found in the seventh to tenth layers of the ancient Azykh camp, the archaeological finds are redolent of the Olduvay culture of East Africa, and the Dmanisi Palaeolithic civilisation in Georgia.

Finds from the Azykh civilisation have been analysed by many leading archaeologists, including those from France, Italy, Spain, Russia, Azerbaijan, Georgia and the Netherlands. They have developed an excavation programme entitled International INTAS – 2000, which is currently being implemented.

However, since its occupation by neighbouring Armenia in 1992, the historical heritage of Azykh has been severely damaged. During the occupation of Nagorno-Karabakh, the Azykh Cave was used as a military ammunition depot



The Azykh Cave, home to protohuman remains, is located in Armenian-occupied Khojavend

by Armenian and Russian military forces. In 1999, the Armenian Defence Ministry removed the arms and ammunition from the cave and subsequently handed it to the Armenian Institute of Archaeology and Ethnography, who began excavation works.

Since occupying this territory, the Armenian government decided to conduct archaeological excavations in order to artificially Armenianise the Azykh Cave, which had attracted the attention of archaeologists around the world, thereby endorsing their claim to the territory. This claim had already been disproven when, on 8 December 1981, Azerbaijani archaeologists exhibited some artifacts from Azykh in an exhibition entitled *The First Inhabitants of Europe*, organised at the Museum de l'Homme in Paris. Furthermore, hundreds of artifacts found during archaeological excavations in the Azykh camp remain stored in Baku, and are available for analysis and examination. Despite all this evidence about the Cave, some Armenian scientists continue to falsify its history.

Today, Armenian media continues to stress that the Azykh Cave, located 900m above sea level in the Salakatin village of the Khojavend region, forms part of Armenian cultural heritage. According to the Armenian media, each year since 1999, archaeologists from the Armenian Institute of Archaeology and Ethnography welcome scientific delegations from the UK, Spain, the Netherlands, Iceland, Armenian citizens residing in Nagorno-Karabakh and students from the University of Yerevan.

It is undeniable that these unlawful actions have received financial support from Russia, the USA and France, despite being to the detriment of Azerbaijan, upon whose territory the Azykh Cave is located.

Since 2001, the Armenian government has ceded management of the cave to foreign citizens – namely Spanish citizens Yolanda Fernandez and Patrice Dominates. During the following years, the Armenian-born British citizen Tanya King Ovanesyan, and Levon Episkoposyan, an officer from the Armenian Institute of Archaeology and Ethnography, were appointed to lead the excavation works.

The Armenians subsequently excavated five out of seven entrances to the camp to a depth of 5–6m. They collected bones, household, working and hunting tools, together with other finds. Following initial cleansing in the Quruchay River, they were taken to Armenia, from where they were sent to London for laboratory tests.

According to international law, the excavations in the Azykh Cave, undertaken under the auspices of the occupying Armenian regime, are completely illegal and have potential legal ramifications. Historical and cultural samples obtained during illegal excavations have been misappropriated. Azerbaijan has suffered concrete material and moral damage, for which the Armenian government is responsible. Furthermore, this represents a crime against future generations, as we cannot foresee which scientific research methods will be developed in the future that could analyse the sediment from the excavation.

Article 31 of the *Responsibility of States for Internationally Wrongful Acts*, as adopted by the UN International Law Commission at the 53<sup>rd</sup> Session of the UN General Assembly in 2001 acknowledges: “The responsible state shall pay the damage for the international illegal acts and this damage consists of all damages caused by the contradictory actions to international law, as well as material or moral damages.” Article 34 states: “The forms of payment, in full, for the damage caused by international illegal actions, may be in the form of restitution, compensation and satisfaction. These may be used separately, or in relation to each other”. At the present time, it is impossible to estimate the exact value of historical and cultural wealth stolen and destroyed by the Armenians.

International monitoring/inspection of monuments, buildings and archaeological sites in the occupied territories is crucial. This can serve to enforce the relevant laws and protect sites in the conflict zone. A document on the protection of cultural property in the occupied territories was passed in Paris in 2012, during the 8<sup>th</sup> session of the *UNESCO Committee on the Protection of Cultural Property in the Event of Armed Conflict*. The document indicates



Located in the valley of the Kura and Araz Rivers, the Azykh Cave ranks amongst the most important Azerbaijani archaeological sites



Faig Ismayilov is interviewed by AzTV about the effect of Armenian destruction



Faig comments on the destruction enacted on the Azykh Cave by Armenian archaeologists before a meeting of the Institute of Human Rights at the Azerbaijani National Academy of Scientists (ANAS)

the possibility of sending a UNESCO technical mission to protect cultural monuments in the occupied territories. Moreover, a document adopted by Irina Bokova, General Director, UNESCO, supported the importance of preserving cultural property in the occupied territories via resolutions passed by the UN Security Council and General Assembly. Furthermore, Armenia has violated clauses of The Hague Convention on the *Protection of Cultural Property in the Event of Armed Conflict* and Paris Convention on *Illegally Exported Cultural Objects*, regarding looting of the Azerbaijani cultural legacy.

The ongoing Armenian–Azerbaijani conflict over Nagorno-Karabakh is a clear violation of international law on many levels, the ongoing casualties being the estimated 875,000 internally displaced persons (IDPs) and refugees who have been forced to leave their homeland. However, the cultural impact is often overlooked, and the effect on such sites as the Azykh Cave, where the heritage of humanity is under threat, should also be taken into account.

For more information on the Azykh Cave, go to <http://bit.ly/azykhcave>

## PACE report on Nagorno-Karabakh adopted

The Political Affairs Committee for the Parliamentary Assembly of the Council of Europe (PACE) has adopted the report *Escalation of violence in Nagorno-Karabakh and the other occupied territories of Azerbaijan*, prepared by Robert Walter, PACE rapporteur.

Elkhan Suleymanov, a member of the Azerbaijani Delegation to PACE, spoke to APA, saying: "Armenian deputies denied the whole truth, shamelessly proposing the cancellation of the resolution and that this issue should not be raised again. This ridiculous proposal by the Armenian side was put to the vote and rejected, with 14 votes in favour and 24 against."

He commented that all the three amendments proposed by the Azerbaijani side were approved, saying: "One of the amendments is that 'the conflict over the Nagorno-Karabakh region still remains unsettled,' is replaced with 'occupied Azerbaijani territories have not yet been liberated from occupation'. The second amendment 'urges Armenia, the occupying force, to secure the immediate release of Dilham Asgarov and Shahbaz Guliyev', was added. Finally, the third amendment specifies that the phrase 'we regret that the Armenian government has refused to work with the rapporteur' is replaced with 'we strongly condemn that the Armenian government refused to work with the co-rapporteur'."

Mr Suleymanov explained that the Azerbaijani side had expected the Armenian side to be obstreperous. He said: "The refusal of the Armenians to work with the rapporteur made us think this would be the case. Other than that, the Armenian media cited that there were a large number of anti-Armenian provisions in the report, and commented that it was pro-Azerbaijani. Ermine Hagdalyan, Head of the Armenian delegation to PACE, and members Armen Rustamyan and Naira Karapetyan, tried to block the report from receiving approval. They proposed the cancellation of the resolution and suggested that this issue should not be raised again."

The report details the ongoing Armenian occupation of Nagorno-Karabakh and the seven surrounding districts; notes the four outstanding UN Security Council resolutions requesting the immediate withdrawal of Armenian forces from Azerbaijani territories; and cites the decision of June 2015, passed in the European Court of Human Rights, regarding the case known as Chiragov and others vs. Armenia, where it was proven that Armenia is in control of Nagorno-Karabakh and the seven



Elkhan Suleymanov, member of the Azerbaijani Delegation to PACE, outlined the attempts made by the Armenian delegation to block the resolution

surrounding districts, and that hostages Dilham Asgarov and Shahbaz Guliyev had been tried illegally by unrecognised courts in Nagorno-Karabakh.

Following the draft resolution of the report, the PACE Political Affairs Committee called for "the withdrawal of Armenian armed forces and other irregular armed forces from Nagorno-Karabakh and the other occupied territories of Azerbaijan, and the establishment of full sovereignty of Azerbaijan in these territories", to be achieved through the operations of the OSCE Minsk Group.

PACE also requested "the convening of a plenary meeting of the OSCE Minsk Group to establish an interim status for Nagorno-Karabakh, guaranteeing security and internal self-governance, with an agreed corridor linking Armenia to Nagorno-Karabakh, and other confidence-building measures, including an access corridor to the Nakhchivan Autonomous Republic."

Condemning the deliberate targeting of civilian settlements near the 'contact line', the PACE committee said it regretted that the ongoing Armenian-Azerbaijani conflict over Nagorno-Karabakh had been sidelined by other major international crises. It continued: "Further procrastination only complicates the settlement of this 'un-frozen' conflict, which has claimed over 100 human lives since the beginning of 2014, and may escalate into a real war between two Council of Europe member states."

PACE also urged both governments to refrain from using armed force and called for establishment by the OSCE of an international peacekeeping force to maintain security within Nagorno-Karabakh and the other occupied territories, ensuring the safe return and resettlement of IDPs, together with the creation of a mechanism to investigate ceasefire violations. The draft resolution will be debated by PACE at its January 2016 session.

## Presidential summit anticipated by year-end

James Warlick, US Co-Chair, OSCE Minsk Group, has predicted that the Azerbaijani and Armenian Presidents will meet before the end of this year. Speaking to the *Armenia* television channel, he recalled: "During the meeting with Armenian President Serzh Sargsyan, we spoke about border tensions. We also discussed the possible meeting of the Armenian and Azerbaijani Presidents, which may be held by the end of the year. However, everything remains dependent on the Presidents."

According to Mr Warlick, the OSCE Minsk

Group Co-Chairs discussed an agenda for the possible presidential meeting with the foreign ministers. He said: "The ceasefire, agreed more than 20 years ago, has been repeatedly violated. We call on the parties to respect the ceasefire regime. The Presidents of Armenia and Azerbaijan have expressed the intention to intensify dialogue.

"We will provide assistance. This dialogue is based on definite principles and elements on which we have an agreement. This framework has been developed during



Speaking in Yerevan, James Warlick spoke of his hopes for a Presidential summit in late 2015, facilitated by the OSCE Minsk Group Co-Chairs

negotiations in past years, and we wish to build the future all-embracing agreement on this basis."

## Armenian provocation stifled in Paris

The Azerbaijani Embassy in France has prevented an attempt by Armenian representatives to hold a conference on Nagorno-Karabakh in the office of the Paris Mayor. The provocation was prevented after the Embassy made a request to the appropriate French authorities.

## Azerbaijani IDP support hailed by the UNHCR

The UN High Commissioner for Refugees (UNHCR) has applauded the measures implemented by the Azerbaijani government for its estimated 875,000 refugees and internally displaced persons (IDPs). According to AzerTac, Henrik Nordentoft, Deputy Director, Programme Support Management Division, UNHCR, made the remarks during a meeting in Baku with Ali Hasanov, Chairman, Azerbaijani State Committee on Refugees and IDPs.

He commented: “The work undertaken for refugees and IDPs in Azerbaijan is exemplary.” Mr Nordentoft noted that the UNHCR is interested in applying Azerbaijani experience, such as strengthening the protection of rights and social security for IDPs and refugees. During the 21 years since the ceasefire in the Armenian–Azerbaijani conflict over Nagorno-Karabakh, the Azerbaijani government and international community have collaborated to provide significant resources aimed at improving overall living conditions for this population. In 2007, the last of 12 IDP camps was closed.

However, despite the enormous efforts made by the government, resolution of the problems remains a challenge, as around 400,000 IDPs continue to live under difficult conditions in old and unsuitable houses. Mr Hasanov explained that, in Azerbaijan, the number of IDPs vastly outweighs the amount of refugees. He



After viewing the living conditions of IDPs and refugees, Henrik Nordentoft, Deputy Director, Programme Support Management Division, UNHCR, acclaimed Azerbaijani government policy

continued: “There are significant gaps with respect to the way that refugees’ problems are addressed at an international level. This is why a general convention addressing IDPs’ problems should be created.” Azerbaijan has one of the largest per capita populations of IDPs and refugees in the world.

## French Minsk Group Co-Chair emphasises IDPs’ plight

The Azerbaijani Community of Nagorno-Karabakh Public Union has met the OSCE Minsk Group Co-Chairs, namely Igor Popov (Russia), James Warlick (US), Pierre Andrieu (France) and Andrzej Kasprzyk, Personal Representative of the OSCE Chairperson-in-Office. During the meeting, Bayram Safarov, Head, Azerbaijani Community of Nagorno-Karabakh, expressed his hope that the OSCE Minsk Group would develop a fair position with regard to the conflict. He commented that the negotiations of the OSCE Minsk Group had failed to yield any results, to date, and that the desire of all Azerbaijani IDPs was to return home. Recommendations were also made about the potential and unexplored role of meetings between Azerbaijani and Armenian civil society members (track-two diplomacy).

Mr Popov reflected: “In Armenia, we discussed political developments, the escalation of tension on the ‘contact line’ between Azerbaijan and the occupied territories, and the establishment of humanitarian co-operation.”

Mr Warlick explained that he was aware that the IDPs had experienced very difficult times over more than 20 years. He said: “We met some of the IDPs during our last visit to Baku, visited their families, and noted their ongoing desire to return home. This meeting impressed us and, as I mentioned in Yerevan, no comprehensive resolution to the Armenian–Azerbaijani conflict over Nagorno-Karabakh can be achieved without resolving the problems of all IDPs, ensuring their right to return home. We also raised the issue of the sides meeting through the means of track-two diplomacy – we consider this to be very important.”

Mr Andrieu stressed his awareness of the IDP factor in achieving conflict settlement. He also commented: “We are discussing the IDP issue. Also, during meetings with representatives from the International Committee for the Red Cross (ICRC), we initiated a programme aimed at identifying all those who were killed during the Armenian–Azerbaijani conflict over Nagorno-Karabakh war. This process is currently underway in both Azerbaijan and Armenia.”

## OSCE Minsk Group Co-Chairs visit the ‘contact line’

The OSCE Minsk Group Co-Chairs travelled to the ‘contact line’ from 26–28 October. During the visit, meetings were held with the Azerbaijani and Armenian Presidents and Foreign Ministers, in addition to representatives of the occupying forces in Nagorno-Karabakh.

Both Azerbaijani President Ilham Aliyev and Armenian President Serzh Sargsyan reconfirmed their commitment to holding a summit under the auspices of the OSCE Minsk Group Co-Chairs before the end of the year to discuss the key elements of a settlement and other issues. Concerns about the level of violence along the ‘contact line’ and the Armenian–Azerbaijani

border were raised, particularly the use of such heavy weaponry as mortars and rocket propelled grenades (RPGs), which present a serious danger to the civilian population.

The Co-Chairs met a representative of the International Committee of the Red Cross (ICRC) in Yerevan to discuss the implementation of a data exchange policy on persons missing since the conflict. Immediately following a routine crossing of the ‘contact line’ into unoccupied Azerbaijani territory by the Co-Chairs, repeated gunfire from an undetermined location forced OSCE monitors to take cover. They stressed that the sides had



Following the visit by the OSCE Minsk Group Co-Chairs, gunfire was heard, proving again that that the conflict remains decidedly ‘un-frozen’

an obligation to guarantee the safety of monitoring personnel, that the incident represented a deliberate effort to undermine the achievement of a negotiated settlement, and that the OSCE needed the ability to investigate ceasefire violations.

## Azerbaijan's rich palette of opportunities brought to the heart of Brussels

On 14 October, more than 100 businesspeople and diplomats from across Europe flocked to the prestigious Diamant Conference and Business Centre, near the diplomatic area of Brussels, for the second Brussels Business Forum to highlight the investment opportunities available in Azerbaijan. Bynlined as *Azerbaijan Through the Eyes of International Investors*, the event was organised by TEAS Benelux.

Marc Verwilghen, Director, TEAS Benelux and former Belgian Minister of the Economy, Development Co-operation and Justice, acknowledged: "Europe has a new heart – everyone seems to have discovered the 'new' Silk Road for which Azerbaijan will, once again, be the epicentre. Azerbaijan has huge investment potential. The objectives of Azerbaijan, Belgium, the whole of Benelux and the EU are the same. If Azerbaijan is in your head, there will be fire in your heart, enthusiasm in your soul, and dynamism in your body."

Herman De Croo, Belgian Minister of State and the longest-serving Belgian MP, spoke from his own experience: "I have visited Azerbaijan twice – in 2011 and this year. Between those dates there was enormous change in the infrastructure, and I noticed there has been an ongoing evolution in the receptiveness of the Azerbaijani people to external business investment from Europe. The successful hosting of the European Games in Azerbaijan is indicative of the drive of the authorities to be anchored to Europe."

H.E. Fuad Isgandarov, Head of the Azerbaijani Mission to the EU and Ambassador to the Kingdom of Belgium and Grand Duchy of Luxembourg explained: "More than 50 per cent of investment in my country comes from EU countries. TEAS is bringing Azerbaijan to the heart of Europe, and that is very constructive. Despite all the challenges, Azerbaijan has demonstrated that its strong will has enabled it to achieve success."

The focus of the event was on changing preconceptions about Azerbaijan – a country renowned for its oil and gas reserves. James Hogan, Managing Partner, Dentons Baku explained: "We have been active in Azerbaijan for 25 years. Azerbaijani investment policy is very open and, since independence, a stable legal regime has been implemented. This now includes Special Economic Zones, aimed at stimulating diversification of the economy."

Haji Huseynov, Senior Infrastructure Specialist, World Bank, outlined some of the World Bank-supported projects currently underway in Baku and across Azerbaijan. He said: "The Baku–Tbilisi–Kars (BTK) railway will become functional by the end of this year. The physical infrastructure is already built, and the first train completed its journey in August."

Axel Enthoven, President, Enthoven Associates – designer of the TGV train – ranks amongst the most renowned Belgian designers of the past four decades. He explained: "In order to develop, mobility is extremely important." He then outlined the options available for constructing urban and countryside infrastructure, and how the chosen concept can impact the relationship of the population to their country and their quality of life.

Agriculture is one of the predominant industries in Azerbaijan, employing around 40 per cent of the workforce. Home to 11 climatic zones, and blessed with fertile soil conditions, Azerbaijani farmers produce a wide variety of fruit and vegetables. Manuela



Herman De Croo, Belgian Minister of State, spoke warmly of his two visits to Azerbaijan (Photos: Alain Colard)

Traldi, President, Italy–Azerbaijan Trade Institute (ITAZERCOM), commented: "Agriculture has become an essential sector in the country. It plays a key role in the process of diversification, and has the potential to become very important to European companies."

As would be expected, the energy session – chaired by journalist Rick Gill, Managing Director, Natural Gas Europe – attracted a great deal of interest. Dr Urban Rusnak, Secretary-General, Energy Charter Secretariat, said: "In the 1990s, Azerbaijan was an importer of oil products, but within a decade was an exporter, and ten years later became one of the leading producers and exporters of oil and gas, and will play an important role in the future of the EU."

Vusal Mammadov, Director, State Oil Company of the Azerbaijani Republic (SOCAR), Belgian Office, spoke on the current status of the \$45bn Southern Energy Corridor, which will bring gas from the Caspian – and eventually Central Asia and Iran – direct to an Italian interconnector.

Azerbaijan is currently striving to become the information and communications technologies (ICT) hub of the region. The sector has received \$3bn of investment over the past three years. It is also central to the UN-mandated Trans-Eurasian Super Highway (TASIM) project, which will bring enhanced-bandwidth services between Frankfurt and Hong Kong, thereby reducing the digital divide between Western and Eastern Europe and Central Asia. Zaur Hasanov, Director, TASIM, said: "TASIM is a challenging and strategic project – passing through Azerbaijan – stretching for around 3000km and connecting the West to the East. It is a project of economic and geopolitical significance."

Azerbaijan is currently leading the way regarding the unified provision of public services. The Azerbaijani Service and Assessment Network (ASAN) service, launched just under three years ago, provides access to 280 services from 10 government agencies using e-government services. These are supplied via a network of ASAN Centres, complemented by mobile ASAN services for those in the rural regions. Kamran Agasi, Director of the Innovations Centre, State Agency for Public Service and Social Innovations under the President of the Republic of Azerbaijan, explained: "We have served around 6m of the 9.6m people in Azerbaijan, and feedback indicates a 98 per cent satisfaction rate." The day concluded with a series of lively business-to-business meetings.

For more information – including eight interview videos by forum speakers – go to [www.teas.eu/bfb2015](http://www.teas.eu/bfb2015)

## ASAN takes centre-stage at Civil Service Live 2015

The success of the Azerbaijani Service and Assessment Network (ASAN) – which has successfully transformed public service delivery in the country – was showcased at the Civil Service Live 2015 exhibition and conference on 5 October, hosted in the prestigious Queen Elizabeth II Conference Centre, a stone's throw from the Houses of Parliament. Participation in the event, attended by civil servants and public service professionals, was organised by TEAS, and came in the wake of ASAN winning the UN Public Service Award in June.



The civil service professionals in attendance demonstrated considerable interest in the groundbreaking ASAN model

Established under the auspices of the market-leading *Civil Service World* magazine, Civil Service Live 2015 attracted over 6000 delegates, comprising government civil servants and employees of private sector organisations, all of whom were focused on understanding and realising the latest best practice concepts.

Highlighting ASAN – the only overseas service presented at Civil Service Live 2015 – Kamran Agasi, Director of the ASAN Innovations Centre, explained that the Azerbaijani government has pushed for a large-scale reform, and developed a unique model of public service delivery. He continued: "ASAN centres have now transformed from being a one-stop-shop for government services through to becoming a general hub for services. This is attractive to businesses, and they want to work with ASAN, including mobile

companies, cable television and utility providers. Our centres are now even offering certain medical services.

"We have also developed the mobile ASAN service, comprising high-tech buses that deliver the services to rural areas of the country. We can also come to you – services can be conducted at your home. An extra fee is payable for this, but this subsidises the provision of the same services for the less mobile members of society, such as the disabled. The population of Azerbaijan is 9.6m, and in just over two and a half years since we opened the first ASAN centre, we have served around 6m people, and each centre serves around 2500–3000 people a day. Our exit polls indicate there is 98 per cent satisfaction with our services."

## Carry on up the Doing Business rankings

Published each year by the World Bank, the *Doing Business* rankings are one of the leading arbiters determining the future direction of investments, as they reflect the current business environment. Azerbaijan has now risen to 63rd place from 80th place, thereby improving its position by 17 points among 189 countries. The reforms carried out regarding three criteria – starting a business, dealing with construction permits, and protecting minority investors, were especially highlighted.

Azerbaijan has also entered the top ten rankings regarding simplification of business registration, being placed alongside

Germany, Sweden, Estonia, and Slovakia. Compared to last year's report, *Doing Business 2016* includes indices for quality control of construction, power supply reliability, tariff transparency, quality of trials, and quality of territorial administration, together with the time, costs and procedures regarding issuance of building permits, power supply network connections, contract execution, and property registration. This year Azerbaijan received 67.8 points (64.08 point in the previous report) according to a new method of calculation referred to as 'the principle of distance to frontier score'. The full report may be read at <http://bit.ly/doingbusinessaz2016>.

## Second satellite to be launched by French company

A French company will launch AzerSpace-2/Intelsat 38 – the second Azerbaijani communications satellite – into orbit. This follows the launch of the first satellite – AzerSpace/Africasat-1a – in 2013 from French Guiana on the Ariane 5 ECA carrier rocket operated by Arianespace, a French company.

This second satellite will form part of a new satellite constellation that includes radar satellites. Space Systems/Loral (SSL), a subsidiary of the Canadian MDA corporation, a leading provider of commercial satellites, has been selected to build AzerSpace-2.

The design of AzerSpace-2 is based on the proven SSL 1300 satellite platform that provides flexibility across a broad range of applications and technological developments. It is scheduled for launch in 2017, and this second satellite program will be financed with long-term concessional loans from Export Development Canada (EDC).

## Southern Energy Corridor attracts international finance

Speaking on 5 November, Zaur Gahramanov, Deputy Head: Investments Department, State Oil Company of the Azerbaijani Republic (SOCAR), explained that Azerbaijan is now open to international financial institutions financing its share of the Southern Energy Corridor project. He commented: "Altogether, a 51 per cent share in the Southern Energy Corridor closed joint-

stock company (CJSC) is owned by the Azerbaijani Ministry of Economy and Industry, whilst 49 per cent belongs to SOCAR."

SOCAR is currently holding talks with the European Investment Bank (EIB), the International Finance Corporation (IFC) and the European Bank for Reconstruction and Development

(EBRD), amongst others, to source loan finance. Mr Gahramanov noted that there are good conditions on the international financial markets to attract low interest funds. Mr Gahramanov said: "Loans will be attracted if they are effective and beneficial. Azerbaijan's share in financing the \$45bn (£29.8bn) project is \$14bn (£9.3bn), of which \$7bn (£4.6bn) can be attracted in the form of loans."

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