

International Caspian Oil and Gas on the horizon

Caspian Oil&Gas 2017, the 24th International Caspian Oil and Gas exhibition, the largest energy event in the region, will be held from 31 May–3 June 2017 in Baku Expo Centre. As a recognised industry platform, the exhibition has been bringing together senior-level directors every year to discuss key oil and gas projects in the Caspian region, thereby ensuring energy security.

The opening ceremony is always hosted in the presence of Azerbaijani President Ilham Aliyev, and the Azerbaijani Energy Ministry and the State Oil Company of the Azerbaijani Republic (SOCAR) always support the event. Amongst others, companies from China, Georgia, Germany, Iran, Russia, the Netherlands, Turkey and Uzbekistan will participate. They will demonstrate innovative technologies in oil production, oil and gas transportation, storage systems, services, and give insights into existing and future oil and gas projects in the region. Both Italy and Germany will have national pavilions.

The General Sponsor is SOCAR, the Gold Sponsor is BP, and the Silver Sponsor is TP Azerbaijan. Amongst the Bronze Sponsors are Azeri MI, Baku Steel Company, AZFEN, the Caspian Drilling Company Ltd, Caspian Marine Services (CMS), Global Energy Azerbaijan, RussNeft, SOCAR Polymer, Tekfen Construction and Simone.

Complementing the exhibition, the International Caspian Oil and Gas Conference will take place from 1–2 June at the JW Marriott Absheron Baku. This will provide suppliers with the opportunity to present technologies and services, acquire useful business contacts, and gain new information and technologies, thereby expanding opportunities for international collaboration in the oil and gas sector. The organisers of the exhibition and conference are ITE Group and its partner Iteca Caspian. Go to www.caspianoilgas.az for full details on how to attend.



During his visit to Caspian Oil&Gas 2016, Azerbaijani President Ilham Aliyev examined plans for a series of new SOCAR refineries and petrochemicals plants alongside Rovnag Abdullayev, CEO, SOCAR

Essential information on banking, telecommunications and licensing

Dentons – a TEAS member company – has issued an important client alert reflecting the latest developments in Azerbaijani legislation in banking, telecommunications and licensing. The banking section relates to significant changes regarding the temporary administration and financial rehabilitation of troubled banks, including the disposition of an insolvent bank; voluntary debt restructuring; the role of the Azerbaijan Deposit Insurance Fund (ADIF) as the liquidator; and the personal liability of bank administrators. The telecommunications section covers the registration obligations of providers, and this is also related to amendments to licenses and permits pertaining to mobile communications.

Go to <http://bit.ly/dentonsbanksandit> to read the full alert.



The Central Bank of Azerbaijan plays an essential role in the financial lifeblood of the country

Absheron to start producing at year-end 2019

Speaking during the SOCAR International Forum in Baku, a SOCAR spokesman revealed that gas production from the Azerbaijani Absheron Field in the Caspian Sea could begin in late 2019 or early 2020. Absheron is a gas field in the Caspian Sea, located 100km south-east of Baku and 25km north-east of the Shah Deniz gas field. It covers about 270km² and is operated by French Total. The field, discovered in 2011, is thought to contain 350bn m³ (bcm) of natural gas and 45m tonnes of condensate.

\$1.1bn of Boeings for Silk Way Airlines

The Azerbaijani Silk Way Airlines has purchased 10 new Boeing 737-MAX 8 aircraft, which will be manufactured at the assembly facility in Renton, Washington D.C., worth some \$1.1bn (£849.7m). H.E. Elin Suleymanov, Azerbaijani Ambassador to the US, commented: "We are proud that one of the top Azerbaijani airlines is buying its new airplanes here in the US. Azerbaijan is happy to contribute to the American economy, thereby creating jobs for American workers."

In 2015, Silk Way purchased three Boeing 747-8 freighters, also for a cost of \$1.1bn. That same year, Azerbaijan Airlines (AZAL) celebrated delivery of its first Boeing 787 Dreamliner. Marty Bentrrott, Vice-President of Sales: Middle-East, Turkey, Russia and Central Asia, Boeing Commercial Airplanes, reflected: "We are very pleased to expand our partnership with Silk Way with this aeroplane order. We value our partnership with Silk Way, and are grateful for their enduring confidence in Boeing products."

ADB lends over \$1.3bn to Azerbaijan during 2016

According to *APA-Economics*, the Asian Development Bank (ADB) allocated a \$1.3bn (£1bn) loan to Azerbaijan to finance four projects in 2016. Of this, \$520m (£401.6m) was allocated for expansion of the energy network, \$75m (£57.9m) for water supply improvement, \$500m (£386.1m) for development of the Shah

Deniz Gas Field and \$500m (£386m) to support economic growth in the country. This amount does not include an additional \$500m allocated for the Southern Gas Corridor. As of 31 December 2016, the ADB loan portfolio in the Azerbaijani private sector amounted to \$373.6m (£288.5m).