



Ministry of Energy of the Republic of Azerbaijan

Expectations from Eastern Partners on post 2020 energy cooperation priorities



History of oil and gas industry by stages



First stage

1846-1920



Second stage

1920-1949



Third stage

1949-1969



Fourth stage

From 1969



Fifth stage

From 1994

20th September 1994. Signing of the “Contract of the Century”



The President Heydar Aliyev with international government representatives and top business managers in September 1994 at the signing of the "Contract of the Century" (Azeri-Chirag-Gunashli).

The First Caspian Oil and Gas Exhibition had taken place a few months earlier



The country turning from importer into net exporter project «Shah Deniz»

Azerbaijan continued to increase in weight in the global market providing energy security and is in the center of attention in the international arena in terms of effective utilization of its natural gas reserves. Heydar Aliyev is a author of full payment of the demand for blue fuel in the country's gas recourses of Azerbaijan, at the same time the development of export potential, thus serving to the new contribution to the country's progress.

- After two years of signing “The Treaty of The Century” in 1996, signed contract with foreign companies on “Shah Daniz” gas field.
- In 1999 revealed giant gas-condensate field “Shah Daniz” and the first well in the field given operation in 2006.
- The first gas beam of the Shahdaniz field was in 13.03.2007.



Infrastructure for Export

1997-Baku-Novorossiysk

Length – 1347 km

Capacity- 6.1 mln.t/y

1999 Baku-Supsa

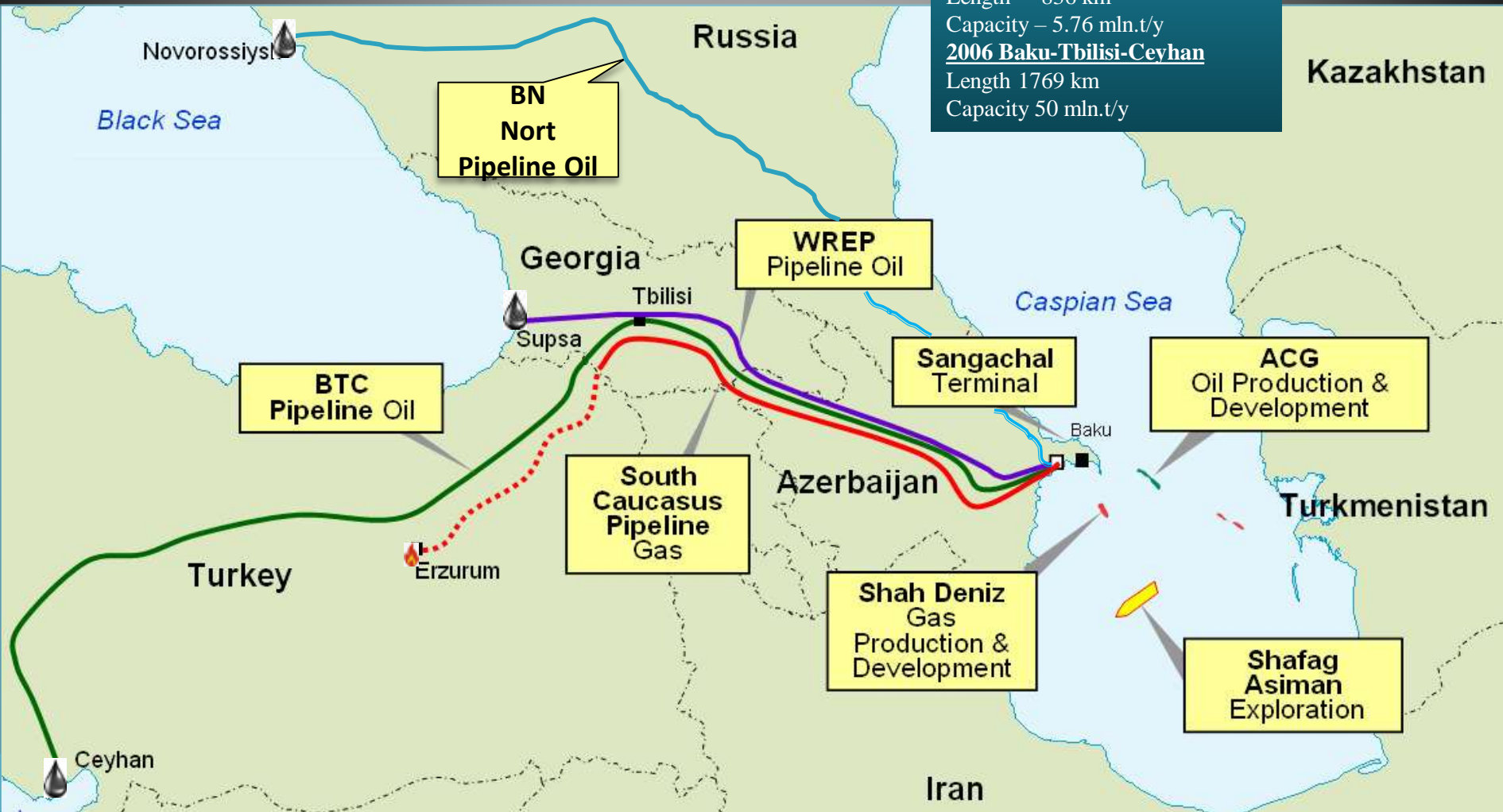
Length – 836 km

Capacity – 5.76 mln.t/y

2006 Baku-Tbilisi-Ceyhan

Length 1769 km

Capacity 50 mln.t/y



Diversification of the Transportation system

There are three oil and four gas pipelines in Azerbaijan operating on foreign markets

Oil pipelines:

- ❑ ***Baku-Novorossiysk oil pipeline*** which is the northern export route was started on October 25, 1997.
- ❑ ***Baku-Supsa oil pipeline*** which is western export route was put into operation on April 1999.
- ❑ Solemn opening ceremony of ***Baku-Tbilisi-Cheyhan oil pipeline*** named after Heydar Aliyev was held in Ceyhan on 3 July 2006.

Diversification of the Transportation system

Gas pipelines:

❑ *Baku-Tbilisi-Erzurum gas pipeline*

Natural gas extracted from “Shah Daniz” in the Azerbaijan sector of the Caspian Sea, was included in the system of Turkey gas pipeline via Baku-Tbilisi-Erzurum gas pipeline on March 13, 2007. Baku-Tbilisi-Erzurum gas pipeline delivers “natural gas” from “Shah Daniz” (one of the largest gas-condensate fields) to the Turkey and Europe.

❑ *Gazimammad – Mozdok (Russian) gas pipeline*

Medium-term contract was signed between SOCAR and Gazprom about transportation of Azerbaijan gas to Russia in 2009.

❑ *Gazimammad – Astara (Iran) gas pipeline*

❑ *Gazimammad – Gazax gas pipeline*

New energy projects in the Europe's energy security

- **Projects of the Southern Gas Corridor:**
 - **SCPX** - South Caucasus Pipeline Expansion
 - **TANAP** - Trans-Anatolian Pipeline
 - **TAP** - Trans Adriatic Pipeline (Greece-Albania-Italy)

Southern Gas Corridor



Yellow line - South Caucasus Pipeline Expansion (SCPX)

Red line - TANAP – Trans- Anatolian Pipeline

Yellow square - Shah Deniz Field

Dark blue line - TAP- Trans Adriatic Pipeline

Yellow line - IGB – İnterconnector Greece-Bulgaria

Red line - İAP –İon Adriatic Pipeline

New discoveries



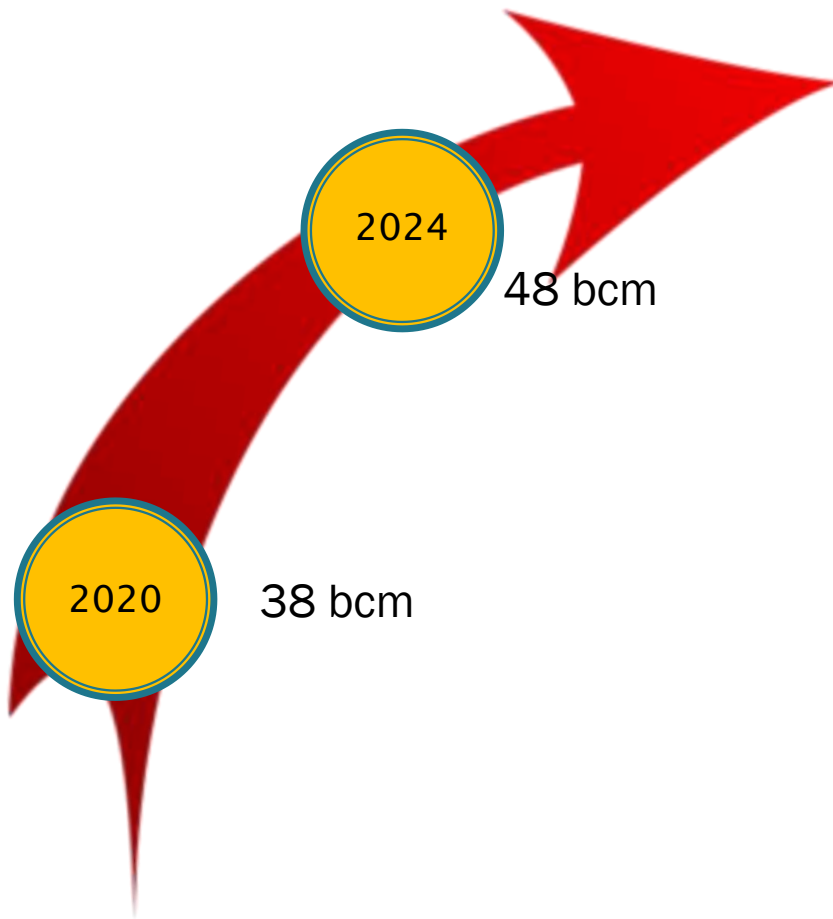
Umid (Discovery: 2010)

Proven reserves: Gas – 200 bcm Condensate – 40 mln. ton

Absheron (Discovery: 2011)

Appraisal reserves: Gas - 350 bcm Condensate - 45 mln. ton.

Natural gas production forecast



THANK YOU FOR
ATTENTION

