

BULLETIN

HIGHLIGHT OF THE FOREIGN POLICY OF REPUBLIC OF AZERBAIJAN

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I. The trilateral meeting in Brussels could propel the peace process forward

On May 22, with the mediation of European Council President Charles Michel, President Ilham Aliyev and Armenian Prime Minister Nikol Pashinyan met in Brussels to discuss the peace process. Following the third trilateral meeting with President Ilham Aliyev and Armenian Prime Minister Nikol Pashinyan, European Council President Charles Michel said that the discussion was “frank and productive”. He also noted that during the discussion, he underscored “the importance of preparing the populations for long-term sustainable peace,” adding that “the EU is ready to step up its support.” President Michel also pointed out that the parties agreed to stay in close contact and would reconvene in the same trilateral format by July or August. Press statement released by President Michel noted that as a result of the meeting, the sides reached several outcomes on border issues, connectivity, peace agreement, and socio-economic development. On border issues, “the first joint meeting of the Border Commissions will take place on the inter-state border in the coming days. It will address all questions related to the delimitation of the border and how best to ensure a stable situation,” the press release read. On connectivity, the press statement noted that “the leaders agreed on the need to proceed with unblocking the transport links. They agreed on the principles governing transit between western Azerbaijan and Nakhichevan, and between different parts of Armenia via Azerbaijan, as well as international transport through communications infrastructure of both countries. Notably they agreed on principles of border administration, security, land fees but also customs in the context of international

transport. The Deputy Prime Ministers will take this work forward in the coming days.” On peace agreement, the statement noted that “the leaders agreed to advance discussions on the future peace treaty governing inter-state relations between Armenia and Azerbaijan. Teams led by the Foreign Ministers will take forward this process in the coming weeks. In addition to this track, I also stressed to both leaders that it was necessary that the rights and security of the ethnic Armenian population in Karabakh be addressed.” And finally, on the issue of socio-economic development, “the EU will take forward with both parties the work of the Economic Advisory Group, which seeks to advance economic development for the benefit of both countries and their populations,” the statement read.

In the immediate aftermath of the meeting, Azerbaijan and Armenia announced the creation of border commissions in line with the outcomes of the trilateral discussion. On May 23, President Ilham Aliyev signed a decree to establish the State Commission for the Delimitation of the State Border between Azerbaijan and Armenia. According to the decree, the commission consists of 23 state officials representing various state bodies, including ministries, state services, and executive powers. The Commission is chaired by Deputy Prime Minister of Azerbaijan Shahin Mustafayev. Yerevan also formed the national Border Commission, involving 12 state officials from various ministries and state services, including the Foreign Ministry, Defense Ministry, Justice Ministry, as well as the National Security Service, Border Troops and others. The Commission is headed by Deputy Prime Minister of Armenia Mher Grigoryan. On May 24, the first meeting between the newly formed Border Commissions of Azerbaijan and

Armenia was held on the interstate border between the two countries.

In its statement, the Ministry of Foreign Affairs of Azerbaijan stated that “within the framework of the implementation of the agreements reached and on the basis of the relevant orders of the two countries, the first meeting of the Deputy Prime Minister of the Republic of Azerbaijan Shahin Mustafayev and the Deputy Prime Minister of the Republic of Armenia Mher Grigoryan took place on the Armenia-Azerbaijan interstate border in the format of the Commission on Border Delimitation between Azerbaijan and Armenia,” adding that “the parties reaffirmed their readiness to work within the framework of the Commission on delimitation and other issues. Organizational and procedural issues of joint activities of the Commission were discussed. Along with meetings at the interstate border, the parties agreed on using various venues for subsequent meetings of the Commission. Thus, they agreed to hold a second meeting in Moscow and a third meeting in Brussels.”

The previous EU-mediated trilateral meeting in Brussels on April 6 created a positive momentum in the peace process between the two countries. Following the 44-Day War, for the first time in the peace process, the two sides agreed to begin preparations for a peace treaty. The sides also agreed to form an intergovernmental commission on the border delimitation and demarcation. The positive momentum in the peace process after April summit in Brussels was carried forward by Armenian Prime Minister Nikol Pashinyan, who made several trailblazing remarks in Armenia. In his speech to the Armenian parliament, Pashinyan warned of the perils of being the only country in the world that does not recognize the territorial integrity of Azerbaijan. Pashinyan also implied that the

potential peace treaty would be signed on the basis of mutual recognition of international borders and Azerbaijan’s sovereignty over the Karabakh region, underscoring that the international community expected Armenia to lower the bar in the negotiations regarding the status of Karabakh. Pashinyan’s statements were praised by the EU and the United States as a positive contribution to the peace process. Along with other statements by Pashinyan, these steps have been a welcome development for the peace and stability. President Ilham Aliyev also noted that Armenia accepted the basic five principles of Azerbaijan for the normalization of relations, which included mutual recognition of respect for sovereignty, territorial integrity, inviolability of internationally recognized borders, and the absence of any territorial claims against each other. This positive momentum in the peace process was carried forward by the second meeting of the Secretary of the Security Council of Armenia Armen Grigoryan and Assistant to the President of the Republic of Azerbaijan and Head of the Department of Foreign Policy Affairs of the Presidential Administration of the Republic of Azerbaijan Hikmat Hajiyev on May 2. On May 18, during the meeting with President of Lithuania Gitanas Nausėda, President Ilham Aliyev emphatically pointed out once again that “we want to sign peace agreement with Armenia. We want to normalize relations and to turn the page of hostility.”

Commenting on the Brussels meeting, Vasif Huseynov, a senior advisor at the Center of Analysis of International Relations (Air Center), pointed out that “it is worth noting that since the beginning of this year, the representatives of the two South Caucasian republics have met exclusively via the mediation of the EU, while the only Russia-mediated meeting – that of the foreign ministers held on May 12 – took place

on the sidelines of another major event and brought about no novelty in the negotiations. The Brussels summit, however, delivered some very important outcomes which, if implemented, will constitute a critical breakthrough in the peace process.”

II. Armenia is trying to derail the outcome of the Brussels meeting

Despite some positive developments, the peace process between Azerbaijan and Armenia is constantly getting derailed by emerging new internal and external dynamics in the region. In the last few weeks, senior Armenian officials, including Prime Minister Pashinyan, have made several provocative comments, intended to disrupt the peace process. At the same time, on April 21, Maria Zakharova, the spokesperson for Russia’s Ministry of Foreign Affairs, lambasted the EU for allegedly trying to insert itself into the high-level Russian-Azerbaijani-Armenian agreements on the delimitation of the state border between Azerbaijan and Armenia and unblocking regional communication corridors. Moreover, Zakharova chided the “shameless attempts of Brussels to appropriate ... the agenda proposed last year by the OSCE Minsk Group co-chairs (solving urgent humanitarian issues, preparing a peace treaty between Baku and Yerevan).” Following his visit to Moscow on April 19, Pashinyan renewed its demands for a settlement of the “status of Karabakh”, which, as Vasif Huseynov has noted, “was read by some as a setback in the negotiations, one that was triggered by Russia’s interference and the domestic protests,” adding that, in short, “not everyone is happy with this course of negotiations.” This view of growing Russia’s dissatisfaction with increasing role of the EU in the peace process between Azerbaijan and Armenia was further reinforced when Yerevan

released a six-article response to Baku’s earlier five points on which a future based on. The Armenian version specifically contained renewed demands for Karabakh’s “status”.

Vasif Huseynov pointed out that “although Pashinyan had raised the issue of Karabakh’s status even before his April 19 Moscow visit, a series of developments since then substantiate the assertions that Armenia’s current obstinate position is the result of the Kremlin’s dissatisfaction with how the peace talks have been shaping up.” Russia also stepped up its efforts to regain the control over the peace process in the region. On May 12, on the sidelines of the meeting of the CIS Council of Foreign Ministers in Dushanbe, a meeting was held between the Minister of Foreign Affairs of the Republic of Azerbaijan Jeyhun Bayramov, the Minister of Foreign Affairs of the Russian Federation Sergey Lavrov and the Minister of Foreign Affairs of the Republic of Armenia Ararat Mirzoyan. According to the Ministry of Foreign Affairs of Azerbaijan, “at the meeting, the sides discussed the situation in the region and issues related to the implementation of trilateral statements. The sides exchanged views on the normalization of relations between Azerbaijan and Armenia, including the start of the delimitation process of the state border, the opening of all transport and communication lines, the conclusion of a peace agreement between the two countries. The sides stressed the importance of implementing the agreements reached to ensure peace and security in the region.” Pointing out that the outcome of this tripartite meeting between foreign ministers put together by Russia included inter alia the announcement of two working groups—one on unblocking transport connections between Armenia and Azerbaijan and the other on delimiting the countries’ border, which was supposed to be held on May

16–17 in Moscow, Vasif Huseynov noted that “the fact that the trilateral working group meeting was not held, contrary to the announcement from the Armenian foreign minister, signifies two things. First, there is still a lack of mutual understanding between Baku and Yerevan; and second, Russia’s role in the mediation process in many ways remains ineffective. It is worth recalling that the last meeting of the trilateral working group took place in late 2021, and the three sides failed to declare any tangible progress (see EDM, December 1, 2021). Thus, although Moscow complains about the EU “hijacking” the mediating role in the Armenia-Azerbaijan peace process, it appears to have limited scope to stave this off altogether.”

At the same time, as Fuad Chiragov, Head of Regional Security Department at the Center of Analysis of International Relations (AIR Center), noted “according to the Article IV of the Trilateral Declaration signed between Azerbaijan, Armenia, and Russia on November 10, 2020, the military units of the Russian Federation—the aforementioned peacekeeping contingent—should have been deployed to Karabakh and the internationally recognized territories of Azerbaijan in parallel with the withdrawal of the all illegal armed forces. In other words, it was, and remains, the obligation of the Russian military to clean the area of any illegal armed groups. Instead, what we have seen is that the Russian military has chosen to protect and enable their activity, help build military fortifications, engage in borderization, and even provide illegal militant groups with military equipment and logistic support. In fact, the activity of the Russian military in the region very much resembles to attempts of implementing Lugansk, Donbas, Abkhazia, or other such projects in the post-Soviet area.”

At the same time, a group of Armenian nationalist revanchist forces led by the former regime leaders, Robert Kocharyan and Serzh Sargsyan, called for nationwide protests in the aftermath of the April 13 speech of Mr. Pashinyan, accusing the latter of rejecting the principle of “the right to self-determination”, and ceding Karabakh to Azerbaijan. Although these revanchist groups, whose leaders are known for their pro-Russian views, did not succeed in attracting enough people to cause a collapse of Pashinyan’s government, they act as a disruptive force and serve as leverage for the external elements that are interested in the prolongation of the conflict. As Vasif Huseynov noted, “there is fear on the ground that opposition would become more aggressive and violent, as happened in Armenia in 1999 when a group of nationalists stormed the parliament and killed the political opponents of then President Kocharyan, who were more inclined to a peaceful resolution with Azerbaijan.” As Fuad Chiragov pointed out “what is likely to come next is resistance and sabotage efforts against these initiatives, carried out by the aforementioned radical and criminal elements in Karabakh hiding behind the Russia military.”

In a statement on May 29, the Ministry of Foreign Affairs of Azerbaijan categorically rejected claims made by the Armenian Foreign Ministry on May 28, pertaining to the alleged violation of the ceasefire by the Azerbaijani side. The Ministry of Foreign Affairs of Azerbaijan called these accusations “absolutely unfounded claims against Azerbaijan.” In its statement, the Ministry of Foreign Affairs pointed out that “the Ministry of Defense of Azerbaijan has refuted the disinformation, slanderous statement about the violation of the ceasefire regime by the armed forces of Azerbaijan and stated that the information disseminated is not true.” The

Ministry of Foreign Affairs also emphasized that “while efforts are currently being made to normalize relations between the two countries, such false and destructive statements by Armenia are intended to undermine the steps taken towards normalization of relations, including the process of delimitation of the state border,” further adding that “the destructive approach demonstrated by the Armenian Foreign Ministry in recent days is clearly aimed at undermining the results of the Brussels meetings on normalization of relations between Armenia and Azerbaijan.” The Ministry firmly concluded that “for its part, Azerbaijan will continue its peace and reconstruction efforts in the post-conflict phase, supported by the international community, and will resolutely prevent any steps against this process.”

Commenting on the on the views expressed by the Prime Minister of Armenia Nikol Pashinyan during his speech at the Institute of International Relations of the Netherlands on May 12, the Head of the Press Service Department of the Ministry of Foreign Affairs of the Republic of Azerbaijan Leyla Abdullayeva noted that “the unfounded allegations made by the Armenian Prime Minister against Azerbaijan during his speech at the Clingendael Institute of International Relations in the Netherlands, including untrue accusations on humanitarian issues, show that the Armenian leadership is far from being sincere in the issue of normalizing relations between the two countries.”

“First of all, we recall that after Azerbaijan liberated its territories from occupation, the country brought to the attention of world community the fact of large scale contamination of these territories by landmines by Armenia, including the deliberate plantings of mines for almost 30

years of occupation, as well as while withdrawing from the territories after the signing of a trilateral statement, the serious threat posed by landmines to human security and appealed to make a pressure on Armenia to release mine maps. Armenia initially denied the existence of the mine maps. Later, facing the position of the international community on this issue, Armenia handed over the mine maps to Azerbaijan in parts, but the accuracy of the maps was 25%. In general, it would be incorrect to describe Armenia's submission of mine maps to Azerbaijan as a humanitarian gesture, as it was Armenia's obligation under international humanitarian law after the signing of the trilateral statement,” Leyla Abdullayeva noted, adding that “since the signing of the trilateral statement, 219 people, mostly civilians, have been killed by landmines. Unfortunately, our citizens regularly fall victim to landmines, including after the submission of maps by the Armenian side, as well as after the meeting of the two leaders in Brussels. As a result of 9 incidents in April of this year alone, 10 people were injured by landmines.”

Leyla Abdullayeva also noted that “Azerbaijan is currently rebuilding and restoring the territories destroyed by Armenia for nearly 30 years. Work is being done day and night so that people, who have been expelled from their lands for decades, can return home. However, the large-scale landmine problem in these areas poses a serious threat to the early return of IDPs. The only reason for that is the aggressive policy pursued by Armenia for 30 years and its destructive activities. In this case, the accusation of the Prime Minister of Armenia against Azerbaijan for not taking humanitarian steps and not returning the Armenian detainees is inappropriate and unfounded. It would be good for the Armenian leader to first understand the reasons for the detention in Azerbaijan of saboteurs of

Armenian origin who entered the territory of Azerbaijan illegally. Of course, humanitarian issues are an important part of the peace agenda, and that is why Azerbaijan has always been guided by the principles of humanism in its activities, even during the 44-Day war and after the war, unilaterally took humanitarian steps. However, the Armenian side must finally understand that for peace it is necessary not only to speak, but to act. However, the fact that the Armenian Prime Minister is still making baseless allegations against Azerbaijan seriously calls into question the country's desire to act for peace."

In response to yet another provocative statement, made by the Armenian Foreign Ministry on May 28, in which Yerevan had a meltdown over President Ilham Aliyev's speech in Zangilan District on May 27, Baku harshly criticized the opposite side for making a baseless statement, calling the provocative move by the Armenian side "regrettable". The Ministry of Foreign Affairs noted that "Armenia, which has been violating the fundamental principles of international law for almost 30 years, pursuing an aggressive policy and grossly violating the human rights of about one million Azerbaijanis, has recently made frequent references in words to the international law," adding that "unlike Armenia, Azerbaijan has always respected the principles of international law and has consistently demonstrated this position." The ministry further added that "as for the views expressed by the President of the Republic of Azerbaijan in the liberated Zangilan region, we bring to the attention of the Armenian Foreign Ministry that the Azerbaijani President calls to refrain from behavior that does not comply with the principles of international law and warns of the dangers that such illegal behavior may pose."

"Unfortunately, in the post-conflict phase, there are revanchist forces in Armenia that encourage such dangerous behavior, and the deplorable situation, which the aggressive policy pursued by these forces for nearly 30 years has dragged Armenia in, is obvious," the statement reads. The Ministry of Foreign Affairs concluded that "the Armenian side must understand that the attempt to demonstrate the behavior of decades ago is nothing but an illusion. Only a proper assessment of the new realities and new opportunities in the region can lead to the right outcomes."

While attending an opening ceremony of the first stage of the "Smart Village" project in Aghali village of Zangilan on May 27, President Ilham Aliyev made several points regarding the regional situation after 44-Day War. Commenting on the Karabakh conflict, President Ilham Aliyev noted that "we have resolved this issue, and the whole world accepts it, whether Armenia wants it or not. We have resolved the Nagorno-Karabakh conflict. The Nagorno-Karabakh conflict has been resolved. As for the administrative territory of Nagorno-Karabakh, this name does not exist in the territory of Azerbaijan. Therefore, the word Nagorno-Karabakh is not in the lexicon of international organizations, and the recent meeting in Brussels showed it again. It is true that Armenia has once again raised the issue and, as they say, they are hitting their head on the wall, but this is a reality and they have to come to terms with it." President Ilham Aliyev further added that "the Nagorno-Karabakh conflict has been resolved and the Minsk Group has completed its activities. I have expressed my views on the Minsk Group, there is no need to repeat it, and we are in a post-conflict period now. We are living in this period, in the post-conflict period, we are dictating the agenda and we have

achieved what we wanted in the year and half that have passed since the war. As I said, we have achieved or are achieving it. First, the whole world, leading countries and leading international organizations have accepted new realities. This was very important, because it could have been otherwise. This is our great political success.”

Commenting on the issue of border demarcation and delimitation with Armenia, President Ilham Aliyev underlined that “the first meeting of the commissions was held on the Azerbaijani-Armenian border on 24 May. This means a lot – also from the point of view that we will define these boundaries, and this is very important. Because the Armenians had also occupied those borders. On the other hand, it automatically puts an end to the territorial claims made against Azerbaijan by revanchist and fascist forces in Armenia. Because if we define the borders, what kind of a status for “Nagorno-Karabakh” can we talk about? There is Karabakh zone, there is the land of Karabakh. This is the territory of Azerbaijan and the whole world accepts it this way. Therefore, the first meeting of the commissions on the delimitation of the Azerbaijani-Armenian border is of great importance.”

Touching upon the issue of a peace agreement with Armenia, President Ilham Aliyev pointed out that “we said that a peace agreement should be signed between Armenia and Azerbaijan. Armenia was trying to avoid this. Because a peace agreement means mutual recognition of the territorial integrity of countries. But as a result, we have achieved this, and Azerbaijan has already defined its working group.”

On the issue of opening transportation corridors, President Ilham Aliyev noted that “Armenia has always tried to prevent this from

happening. But again, look at the official statement of the Brussels meeting, it has already been determined that both the railway and the highway will pass through Mehri and Zangazur. So we are achieving this, as I said we would.”

At the same time, President Ilham Aliyev underscored that although Azerbaijan is firm and decisive in its demands, these demands are not unrealistic. “We are saying that they should recognize our territorial integrity. Let's define borders, let everyone live in their own country and not interfere in each other's affairs. We are saying this, and this is the essence of the five basic principles for the peace agreement put forward by me. In particular, the principle of renunciation of territorial claims against each other is of great importance, and the Armenian leadership has adopted these five principles. Now they want to add something, but these are the basic fundamental principles. As for the fact that Armenians live in Azerbaijan – whether in the Karabakh region or elsewhere – there is no problem with that. Azerbaijan is a multi-ethnic and multi-confessional country. Representatives of all nations live comfortably in Azerbaijan and enjoy all rights. There has never been and will never be discrimination on national and religious grounds in Azerbaijan. Therefore, the rights and security of Armenians living in Azerbaijan are as important as the security and rights of other peoples living in Azerbaijan. There are no special privileges here. There is also experience in the world, in Europe. There are now various conventions in Europe. Both the Council of Europe countries have acceded to these conventions, and there are rules and official documents within the European Union. Everything is shown there, and we are following this universal trend,” President Ilham Aliyev said, adding that “If Armenia makes any

special demands, it should know that we can also have many demands. Our ancient land of Western Zangazur is not far from here. Are we making a territorial claim against Armenia? We are not. But if they are going to make a territorial claim against us, why shouldn't we? There is history. Let everyone look up the books and encyclopedias: when did they separate Western Zangazur from us and give it to Armenia? In November 1920.”

III. Azerbaijan and the EU continue to strengthen energy cooperation

On May 13, senior European Commission officials and Azerbaijan government representatives met to discuss energy matters in line with the EU-Azerbaijan Energy Memorandum of Understanding (MoU). Following EU Energy Commissioner Kadri Simson’s participation in the Ministerial Meeting of the Southern Gas Corridor Advisory Council on 4 February 2022, the follow-up meeting was co-chaired by Cristina Lobillo Borrero, Director for Energy Policy, Strategy and Coordination at the European Commission’s Directorate-General for Energy, and Elnur Soltanov, Deputy Minister of Energy of the Republic of Azerbaijan. The goal of the meeting was to strengthen cooperation in the energy sector with a view to underpinning the respective energy transitions, while boosting energy security.

“In a context of heightened global energy challenges, stable bilateral energy relations and cooperation between the EU and Azerbaijan are a key factor contributing to competitive, diversified and secure gas supplies. The EU stressed the importance of secure gas supplies in line with REPowerEU priorities and presented its key energy efficiency measures and its hydrogen strategy for a climate-neutral Europe,” the press

release from the European Commission read. “A dedicated meeting took place to discuss ongoing gas cooperation and prospects for increasing export volumes of Azerbaijani gas to the EU in line with production capacity and expansion scenarios for the Southern Gas Corridor. The EU stressed its strong interest and support for increased piped gas supply from the Caspian region as a key contribution to the diversification of energy sources in line with REPowerEU priorities,” the press release further added.

On May 31, President Ilham Aliyev received Laura Lochman, Deputy Assistant Secretary for Energy Diplomacy in the Bureau of Energy Resources at the US Department of State. During the meeting, the sides discussed the Southern Gas Corridor. The role of Azerbaijan in Europe's energy security and diversification of gas supplies was also touched upon during the conversation. The sides discussed the ways to increase gas exports from Azerbaijan to Europe. The successful development of bilateral relations between Azerbaijan and US in various fields was underscored, the constant support provided by the US Government to Azerbaijan in the implementation of global energy projects, including the Baku-Tbilisi-Ceyhan project, was hailed at the meeting. The large-scale work carried out in Azerbaijan in the field of electrical and renewable energy was also underlined. During the conversation, the sides highlighted the significance of the International Caspian Oil and Gas Exhibition, traditionally held in Baku, noting that the event contributes to the expansion of international cooperation in the field of energy.

Commenting on the prospects for increasing export volumes of natural gas to the EU, President Ilham Aliyev previously noted that “when we received several demands and

requests not only from Italy, but from some other European countries about increase of supply, first of all, it is the source. We need to find the source. As said, partly it will be due to the optimization of the losses of gas internally, partly, it will be due to the solar and wind substitution of natural gas and partly it will be due to the new production. We expect production from new fields next year already, from Absheron field to have 1,5 billion cubic meters more, and we expect from some other fields. Apart from that, of course, capacity of the pipelines is also important. The Southern Gas Corridor is an integrated pipeline system, which, for example, TANAP has one diameter and TAP has a different diameter. TANAP can transport more than 30 bcm, TAP can transport 10 bcm. Why? Because it was a market. We were supposed to sell to Italy 8 bcm. And for that purpose, the shareholders of TANAP, including SOCAR, which has only 20% there, designed the pipeline volume so that not to have additional expenses. We did not expect additional gas to come in the nearest future, therefore, the design of TAP was different. Is it possible to expand it? Yes, it is possible. By adding pump stations, it can be expanded up to 20 billion cubic meters. In other words, Italy can get twice as much as they get today. But, for that purpose, TAP team should get together and that was part of my discussions with Prime Minister Draghi and then with Minister Di Maio, who visited us here. Shareholders of TAP need to agree on an additional investment program how to expand it and look from a technical point of view. I don't want to go into too much technical detail, but it is not something which can be done in one month. It is not possible technically. So, in the meantime, there are other ways to have interconnectors. For instance, now, the construction of the interconnector between Bulgaria and Greece is in the final stage and I got information from

our Bulgarian colleagues that by September it will be in operation. There are other projects to interconnect the European gas distribution network. So, all that is on our agenda.”

IV. Azerbaijan and Bulgaria set to expand energy ties

On May 31, 2022, within the framework of the official visit of Minister of Foreign Affairs Jeyhun Bayramov to Bulgaria, the second strategic dialogue meeting between Baku and Sofia was held with Bulgarian Foreign Minister Teodora Genchovska. In its statement about the meeting, the Ministry of Foreign Affairs of Azerbaijan noted that the sides “discussed the prospects for the development of relations in the energy sector, which forms the core of economic relations between our countries, as well as in transport, information and communication technologies, agriculture, tourism, humanitarian and other fields. They expressed confidence that the next meeting of the Joint Commission on Trade-Economic and Scientific-Technical Cooperation between the Republic of Azerbaijan and the Republic of Bulgaria, scheduled for this year, will make a positive contribution to expanding bilateral cooperation.” Following the meeting with Bulgarian Foreign Minister Teodora Genchovska, Minister of Foreign Affairs Jeyhun Bayramov noted that “Bulgaria is one of the three buyers of Azerbaijani gas in Europe. I am sure that the pipeline connecting [Bulgaria] with Greece will be completed soon, and Bulgaria will start receiving Azerbaijani gas,” adding that it “will make a great contribution to the energy security of Bulgaria.”

On May 6, the Minister of Energy of Azerbaijan Parviz Shahbazov met with Prime Minister of Bulgaria Kiril Petkov in Sofia. “Noting the importance of major infrastructure projects such as the Southern Gas Corridor in ensuring

regional and global energy supply, the Energy Minister said that our country is ready to continue its efforts in this direction. Speaking about the necessary steps to expand the Southern Gas Corridor, the Minister noted the contribution of Azerbaijani natural gas to the diversification process and energy transition in the coming decades. Prime Minister Kiril Petkov spoke about the implementation of the Greece-Bulgaria interconnector (IGB) project, which will be connected to the TAP pipeline, and said that necessary steps have been taken to ensure the pipeline is ready for the commercial operation," the press release of the Ministry of Energy of Azerbaijan read.

Previously, Baku and Sofia signed an agreement, according to which Bulgaria was supposed to get 1 bcm of gas per year through the Interconnector Greece-Bulgaria (IGB) starting in 2021. However, due to the fact that the interconnector was not built and commissioned timely, it was decided to deliver gas supplies from Azerbaijan via an alternative route – the Kulata-Sidirokastro interconnection point. The small capacity of this route allows for transporting only 250-300 million cubic meters of gas per year, which is only one-third of the agreed volume. In late April, Bulgarian Prime Minister Kiril Petkov announced that the IGB will be commissioned in late June 2022 and the first commercial gas on the pipeline would flow in September. Petkov also said that Bulgaria was looking into ways to increase supply of natural gas from Azerbaijan. Petkov's announcement came shortly after Russia stopped delivering natural gas to Bulgaria in late April. "We are experiencing a crisis that requires bold and smart solutions. In our case, this means a complete abandonment of Russian gas as soon as possible," the Bulgarian prime minister Kiril Petkov wrote in an article for the Frankfurter Allgemeine Zeitung in May. In the same article,

Petkov also noted that the previous Bulgarian government refused to buy Azerbaijani gas in full for inexplicable reasons. On May 13, Petkov announced at a parliamentary hearing that Bulgaria would be able to get gas from Azerbaijan in full from July 1, 2022. "From July 1, Bulgaria will be able to purchase gas from Azerbaijan in full volume", Petkov said, adding that "this supply does not depend on the completion of construction of an inter-system gas pipeline with Greece.

V. Azerbaijan-Lithuania business forum was held in Baku

On May 18, an Azerbaijan-Lithuania business forum was held in Baku. President of the Republic of Azerbaijan Ilham Aliyev and President of the Republic of Lithuania Gitanas Nausėda attended the business forum. During the business forum, several documents to enhance cooperation between Azerbaijan and Lithuania were signed. Minister of Digital Development and Transport of the Republic of Azerbaijan Rashad Nabiyev and Deputy Minister of Transport and Communications of the Republic of Lithuania Julius Skackauskas signed the "Intergovernmental Agreement on International Road Transport". President of the Chamber of Commerce and Industry of the Republic of Azerbaijan Niyaz Alizade and Director General of the Association of Lithuanian Chambers of Commerce, Industry and Crafts Giedre Razinskiene signed the "Agreement for Cooperation between the Chamber of Commerce and Industry of the Republic of Azerbaijan and Association of Lithuanian Chambers of Commerce, Industry and Crafts". Chairman of the Management Board of the Small and Medium Business Development Agency of the Republic of Azerbaijan (KOBIA) Orkhan Mammadov and Director General of the Association of

Lithuanian Chambers of Commerce, Industry and Crafts Giedre Razinskiene signed the “Memorandum of Understanding between the Small and Medium Business Development Agency of the Republic of Azerbaijan and the Association of Lithuanian Chambers of Commerce, Industry and Crafts”. Head of the Export and Investment Promotion Agency of the Republic of Azerbaijan-AZPROMO Yusif Abdullayev and Director General of the Innovation Agency of the Republic of Lithuania Agne Vaitkuniene signed the “Memorandum of Understanding between the Export and Investment Promotion Agency of the Republic of Azerbaijan-AZPROMO and Innovation Agency of the Republic of Lithuania”. Head of the Export and Investment Promotion Agency of the Republic of Azerbaijan-AZPROMO Yusif Abdullayev and Vice-President of the Lithuanian Confederation of Industrialists (LPK) Romas Austinskas signed the “Memorandum of Understanding between the Export and Investment Promotion Agency of the Republic of Azerbaijan-AZPROMO and the Lithuanian Confederation of Industrialists”. President of the National Confederation of of Entrepreneurs (Employers) Organizations of the Republic of Azerbaijan Mammad Musayev and Vice-President of the Lithuanian Confederation of Industrialists (LPK) Romas Austinskas signed the “Memorandum of Understanding between the National Confederation of Entrepreneurs (Employers) Organizations of the Republic of Azerbaijan and the Lithuanian Confederation of Industrialists”.

Speaking at the business forum, President Ilham Aliyev noted that “Azerbaijan has created a favorable business environment for investors. We are pleased with direct foreign investment, which amounts to tens of billions. Diversification of the investment portfolio of foreign companies is also very important.

Whereas in the early days of our investment programs investments were made mainly in the oil and gas sector, we are seeing foreign direct investment being made in the field of renewable energy now. At the beginning of this year, two major contracts were signed with investors for the construction of a 470 megawatt solar and wind power plant, which is an indicator of a favorable investment environment in the country.” President Ilham Aliyev also emphasized that “the diversification of Azerbaijan’s economy is our top priority. Of course, the energy sector has traditionally been the leading sector of our economy, and this will continue to be the case. In particular, we have completed the construction of the Southern Gas Corridor, which, for the first time since January 2021, has been transporting Azerbaijani gas to various locations, including the European Union – a system of integrated numerous pipelines with a length of 3,500 kilometers. Of course, the development of the oil sector, which is a traditional branch of our economy, continues to play an important part for achieving our national goals and for the energy security of a number of countries. At the same time, diversification is our main goal, because we understand that without diversification our plans to create a sustainable economy will not be materialized. We see good results there. In general, I can tell you that the results of the four months of this year are promising. Our economy has grown by 7.2 percent. Given the post-pandemic period, this is a very good figure. As for the non-oil sector, the figures are higher, with growth amounting to 11.4 percent. We have a very small external debt, which accounts for only 12.5 percent of the gross domestic product. The goal is to bring it down to 10 percent of the gross domestic product.”

“Our export potential is growing both due to the growth of gas exports to international markets and reforms in the non-energy sector. This year, exports have grown by 85 percent. Non-oil exports have increased by almost 40 percent. I believe that this testifies to the sustainable development of the country, because the energy potential relies on our natural resources and serves the well-being of the Azerbaijani people, our friends and neighbors. At the same time, growth in the non-energy sector demonstrates the desire and ability of our government to carry out reforms in the economy,” President Ilham Aliyev added.

Touching upon the issue of connectivity, President Ilham Aliyev noted that “taking advantage of our geographical location, we have created a modern infrastructure – a seaport, railway communications, several international airports, and highways. We are located on the East-West and North-South transport corridors. I can also tell you that Azerbaijan transports goods from north to west. We have invested heavily in infrastructure. However, it is clear that without good business relations with neighboring countries, no country, especially one like Azerbaijan, which has no access to the open sea, will be able to turn into a transit country,” adding however that “although Azerbaijan is a landlocked country, we have turned it into an important transport hub. The role of Azerbaijan will certainly increase even more, because we have recently received a number of new proposals from our neighbors on the use of our transport infrastructure. Of course, as I said, this will be very important for the cooperation between the business circles of Lithuania and Azerbaijan and the search for better ways of communication.”

On the issue of energy security, President Ilham Aliyev stated that “Azerbaijan provides

for its energy security by 100 percent, and also contributes to the energy security of many other countries, including members of the European Union. We export oil, gas, electricity and petrochemical products. Our plans include a significant increase in the volume of exports of gas, electricity and petrochemical products. As for oil exports, both consumers and we are pleased with the current export profile. At the same time, given the current geopolitical situation, it becomes obvious that the need for Azerbaijan's energy resources will be higher than ever before. This year we have already started an energy dialogue between Azerbaijan and the European Union. It covers many areas – oil, gas, electricity, hydrogen and renewable energy sources.”

President Ilham Aliyev also added that “there is complete mutual understanding between us, and we are working with a great desire, because everyone wins under such circumstances. Azerbaijan needs reliable and long-term markets, markets with fair regulation and legislation. And this is the European market. European consumers need additional sources of energy. From this point of view, of course, Azerbaijan is perceived by the European Union as a contributing party. Given our plans to raise the share of renewable energy in our total energy mix to at least 30 percent by 2030, I believe that these plans can be changed. I think that we can foresee the share of renewable energy in our energy mix even at the level of 30 or 40 percent. In this case, of course, the energy generated from renewable sources may be more attractive to European consumers. We are working on that. In this sense, we are on the right track.”

Regarding EU-Azerbaijan relations, President Ilham Aliyev underscored that “the European Union is our main trading partner, and this will continue to be the case. We are in the final stages of negotiations with the European

Union on a new agreement. Of course, cooperation with members of the European Union, in particular with Lithuania, is of strategic importance for us. I am glad that this cooperation is developing successfully.”

On the potential of Lithuania-Azerbaijan cooperation, President Ilham Aliyev noted that “I find it quite positive that our economies are not in competition with each other. They are

located in various parts of Eurasia. Thus, by joint efforts and projects and by providing more information, we can establish cooperation. I believe that one of the advantages of the business forum being held today is to demonstrate opportunities, the business environment, rules, taxes, investment opportunities and other issues. I am sure that the business delegations of both countries will not miss this opportunity.”