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**SUPPORT TO THE DEVELOPMENT OF THE
LONG-TERM ENERGY STRATEGY OF AZERBAIJAN
STAKEHOLDERS CONSULTATION WORKSHOP
BAKU, 26 SEPTEMBER 2018**

INTRODUCTION

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Azerbaijan's unique position - and challenging strategic question



At the crossroads
between
East and West
North and South

Endowed with energy
resources
But aware of the need
for non-oil growth

How could and how should the wealth creation from the energy sectors be optimised, harnessed and combined with the emerging new economic sectors; which role could should and could the various parts of the energy sector play in this process

Background and basis for the project

Existing strategic documents

Development Concept. Azerbaijan – 2020:
Outlook for the future

Strategic Road Map on National Economic
Perspectives

Strategic Road Map on Development of the
Oil and Gas industries

Strategic Road Map on Public Utilities
Development (electricity, gas, heating and
water)

Agreed priorities for Reform and Co-operation

MoU on a Strategic Partnership

Priority Action Plan

10 Priority Tasks of the Minister of Energy of
Azerbaijan

**Support to the development of
the Long-Term Energy Strategy –
Inception Phase**



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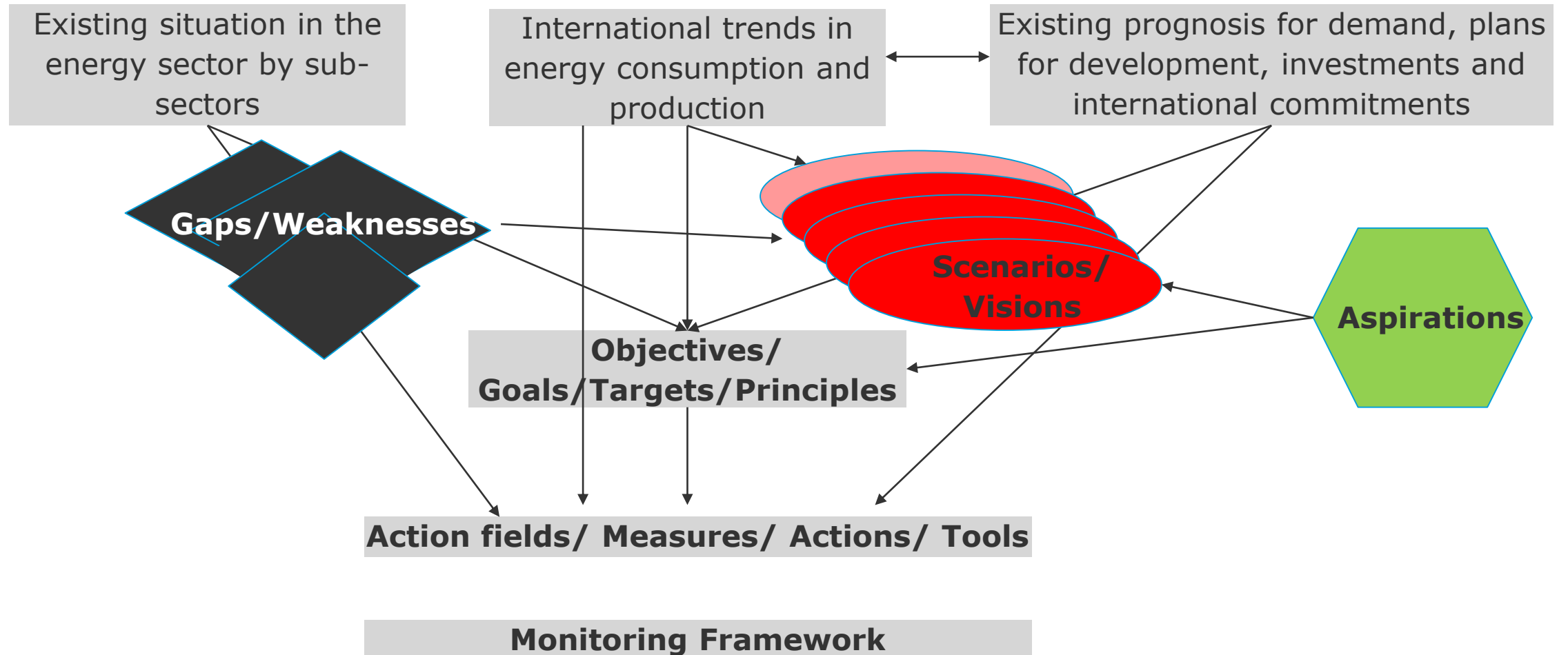


Energy Strategy – specific purpose and characteristics

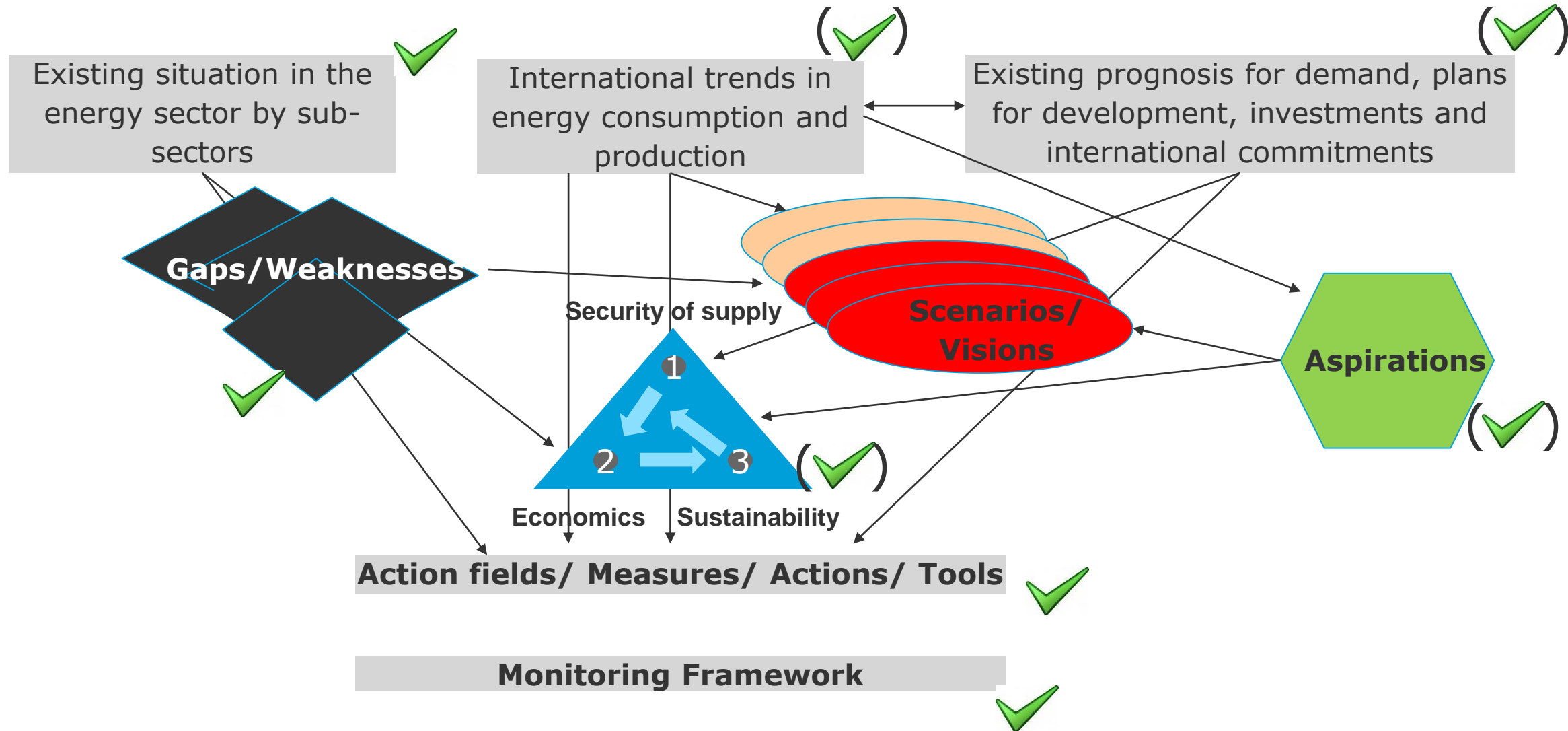
- **Energy sector is fundamental** for economic welfare and growth
- Energy Strategy declares **agreed main strategic objectives** for the development, determines **main measures** that need to be taken and the **priority actions**
- Describes the **development path** towards a safe, reliable, sustainable and affordable energy supply within one comprehensive strategy. Provides a **long-term guidance** (guiding principles) for decision-making, while also keeping flexibility. Provides the **orientation** for all stakeholders and all technical decisions in the energy sector
- Achieves the **co-ordination** of government climate policy with the ambitions for economic development and environmental protection; determines an **acceptable development** of energy demand and energy supply sectors; for the **increase of trust** of society and investors for the energy policy of the government.
- It is not just a list of strategic objectives, priorities and measures, but it is based on **deep analysis of a large amount of data, trends, risk evaluation and expert assessment**
- **It is dynamic.** The Energy Strategy becomes an “institution” with highly qualified experts.



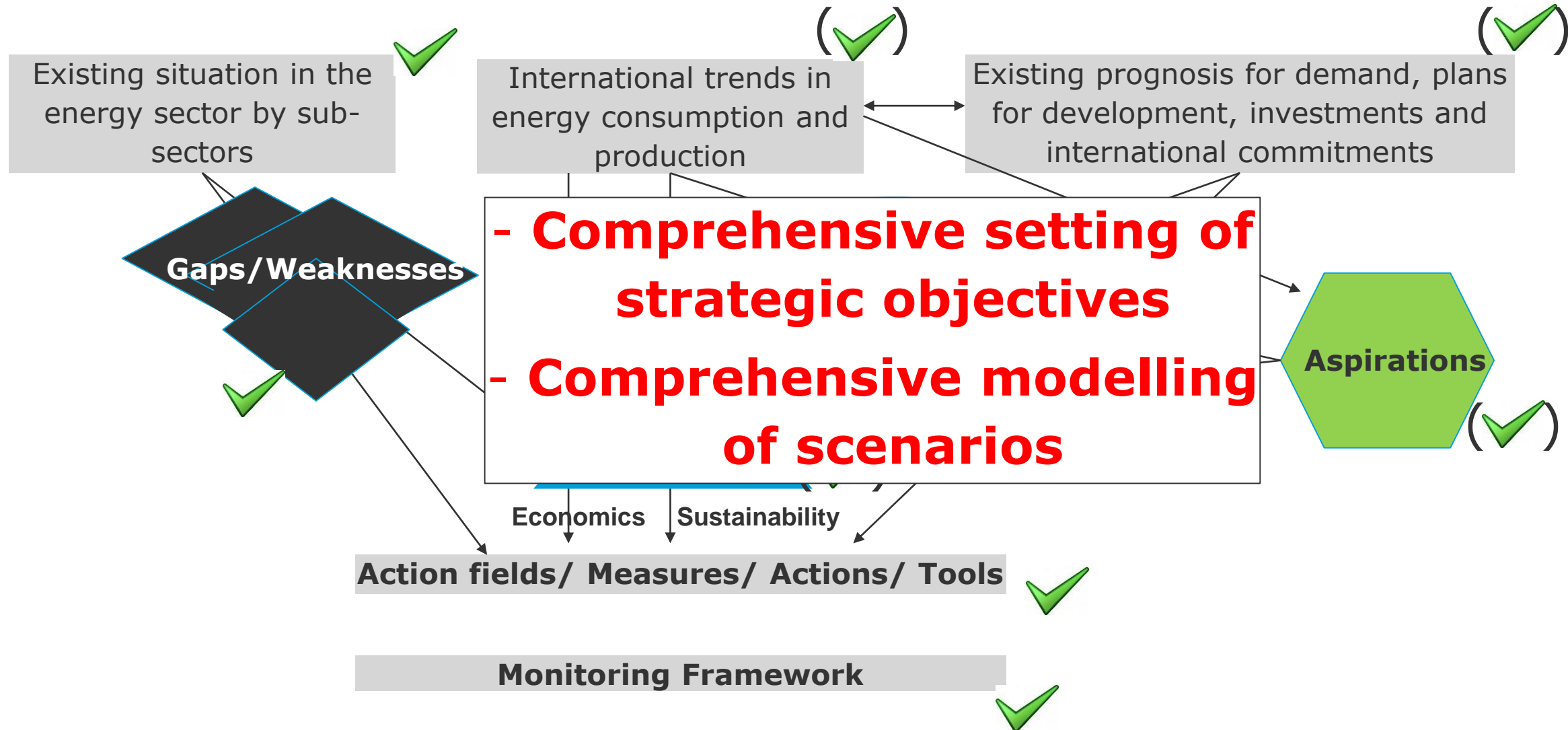
Common features of EU Energy Strategies



Common features of EU Energy Strategies – reflected in Azerbaijan strategic documents for energy sector

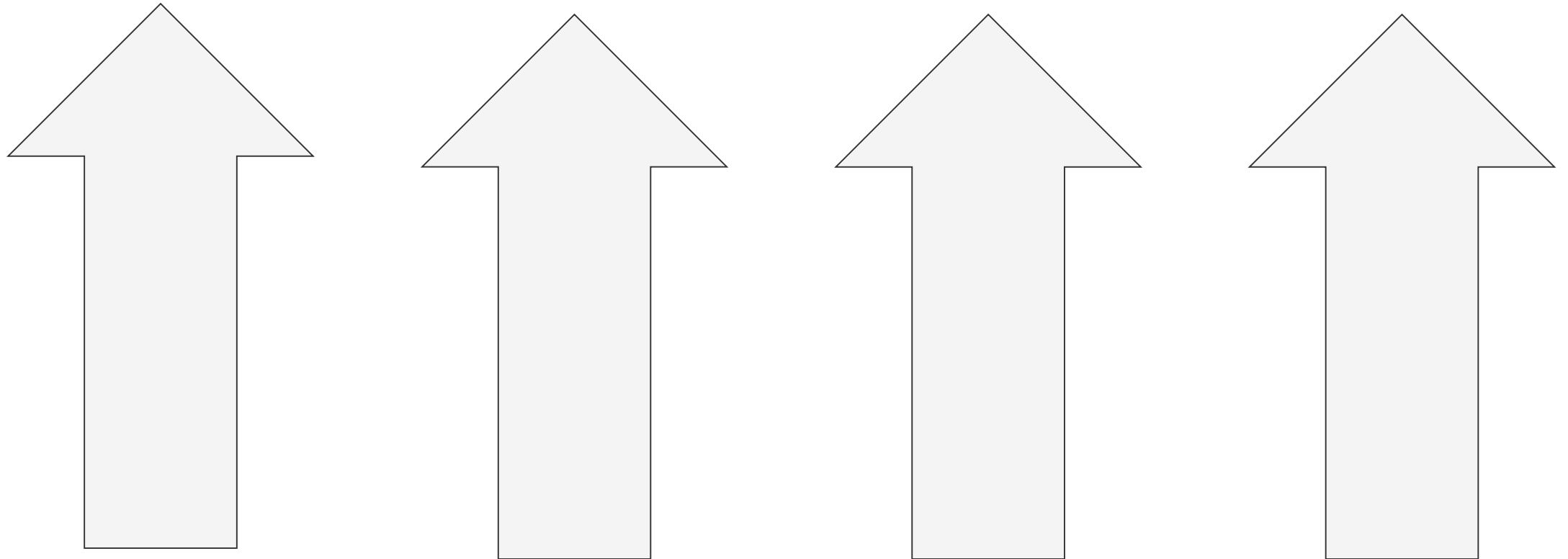


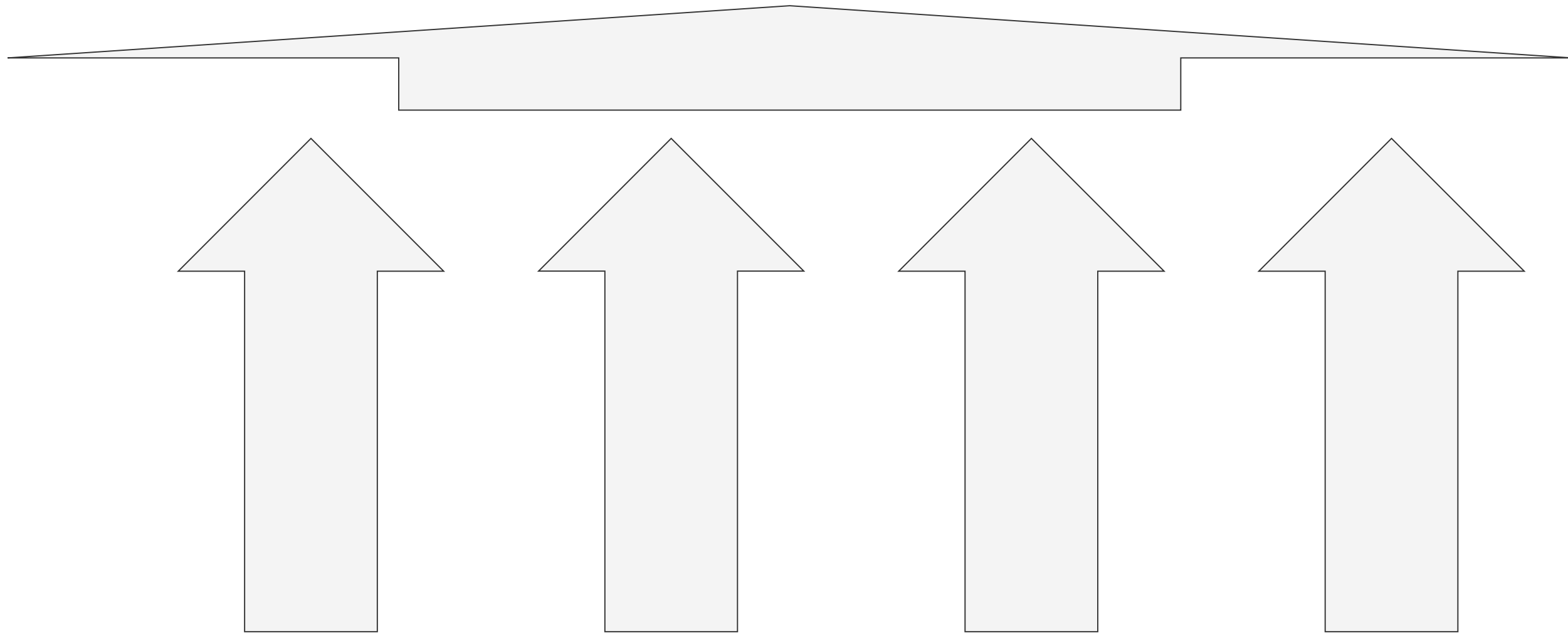
Two main and interrelated challenges



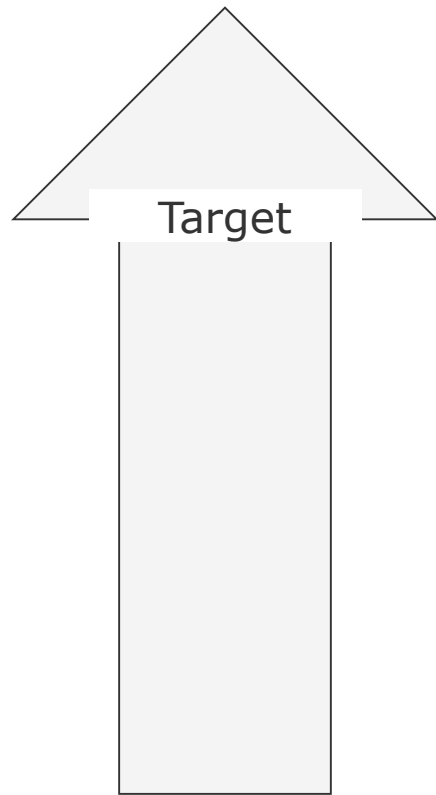
Scenario building – central component in developing the Energy Strategy

- Transparent assessment of options
- Process of building consensus based on data and evidence
- Sharing of visions – domestically and internationally
- Creating signals for investment

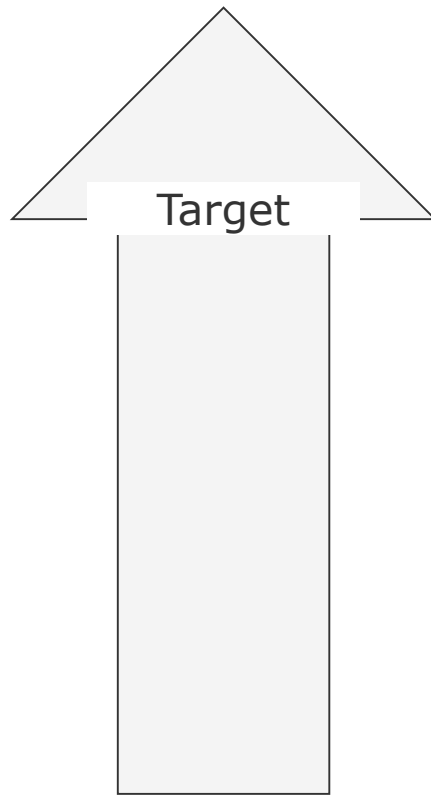




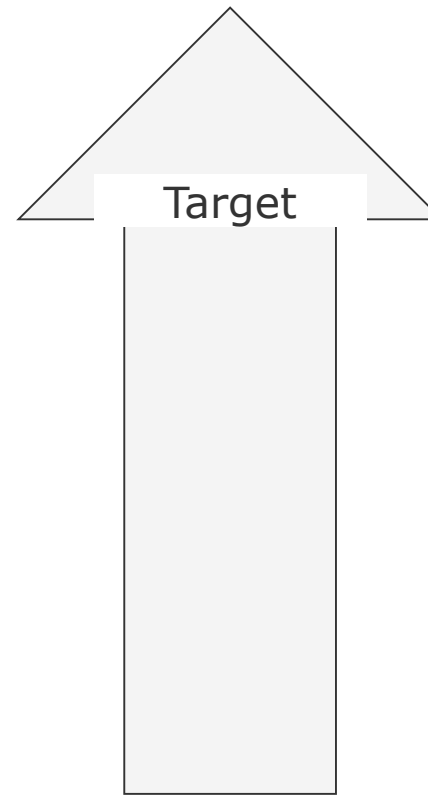
«To securely, safely, economically and sustainably satisfy the energy needs of Azerbaijan's economy and society; to utilise Azerbaijan's oil and gas resources to optimally increase the welfare of the Azerbaijan people in the short- and long term»



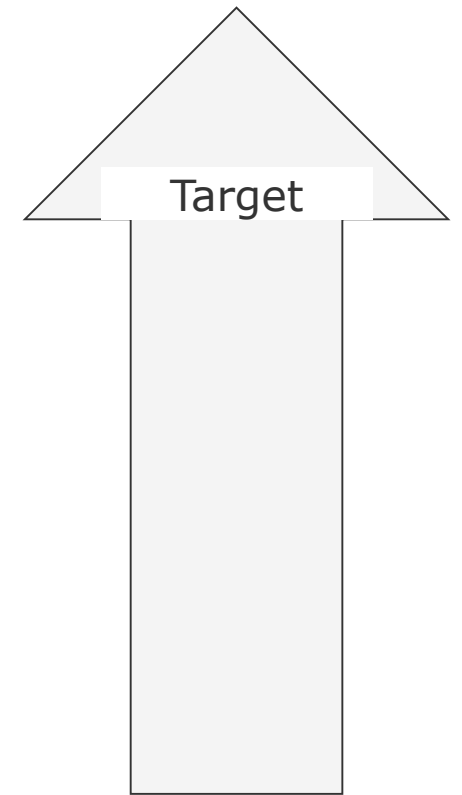
Security of Supply



Energy Efficiency



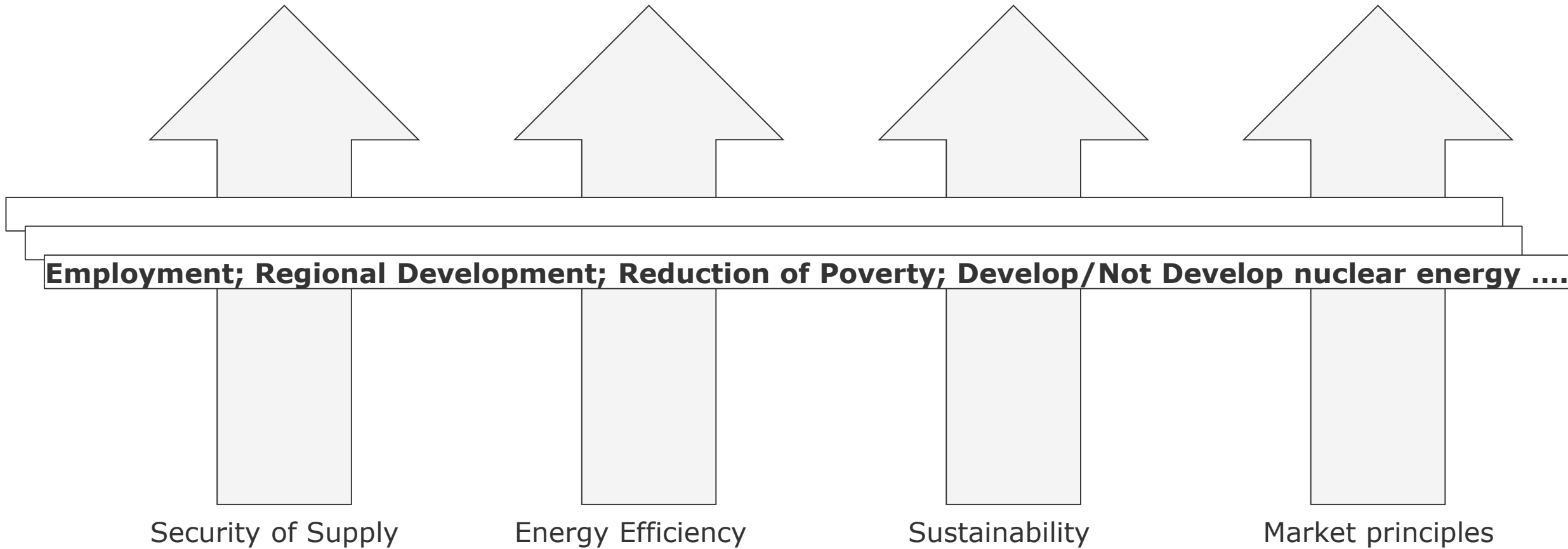
Sustainability



Market principles



«To securely, safely, economically and sustainably satisfy the energy needs of Azerbaijan's economy and society; to utilise Azerbaijan's oil and gas resources to optimally increase the welfare of the Azerbaijan people in the short- and long term



PARTICIPANT'S QUESTIONNAIRE: HAVE YOUR SAY!

