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Commerce in Azerbaijan

# Impact

AZERBAIJAN

2010

The Year  
of Ecology

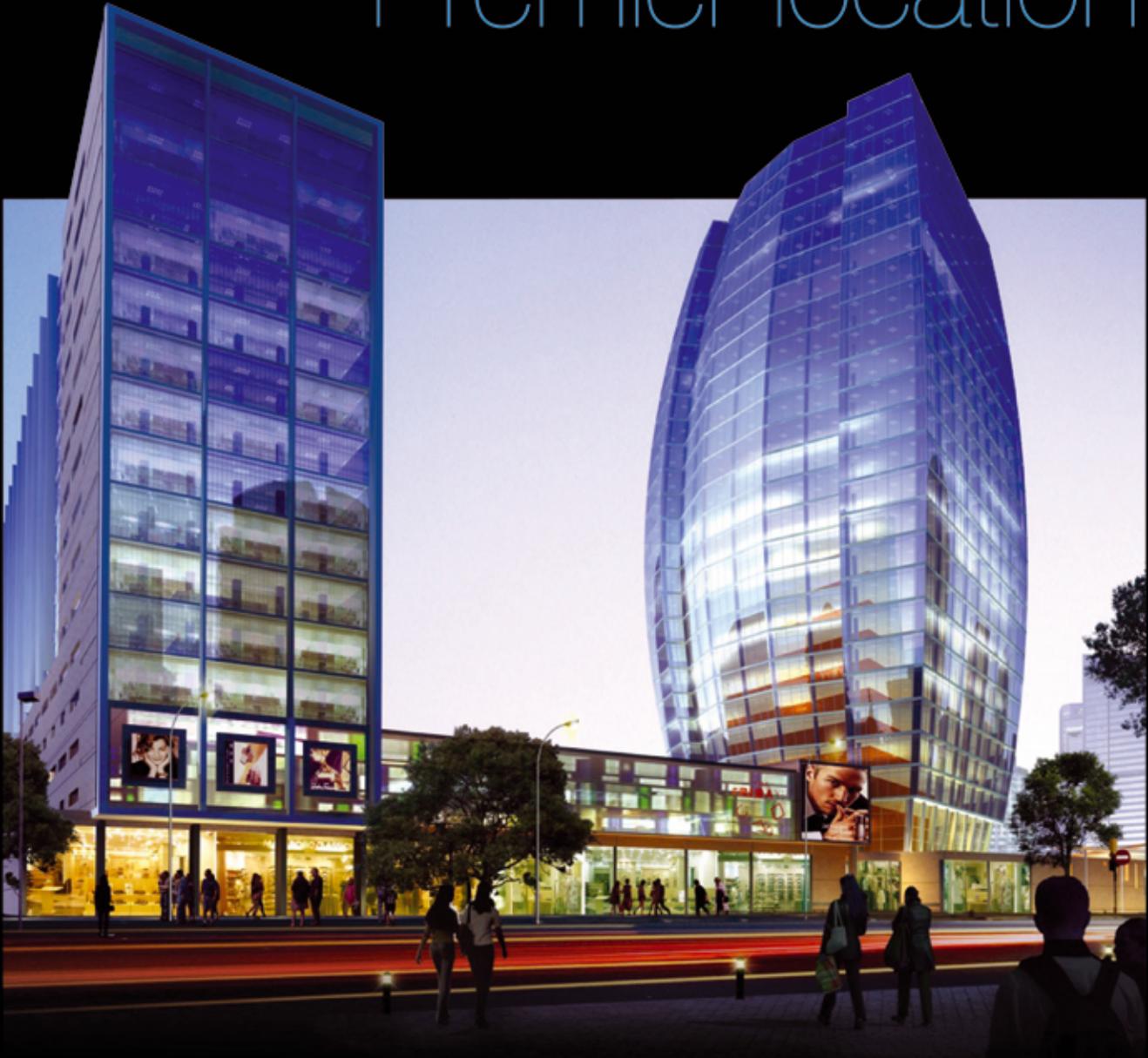
★ **MINISTRY OF ECOLOGY:  
Setting New Standards in Azerbaijan**

★ **EKOL Engineering Services: a Partner in Protection**  
★ **Tamiz Shahar: the Clean City Shines at Balakhani Landfill**  
★ **CNIM: Waste-to-Energy Plant Makes its Debut in Baku**



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## A Word from the Executive Director of AmCham



Dear Readers,

Azerbaijan has over a century old history of oil and gas exploration and development, and an almost equally long history of environmental challenges associated with this industry. However, faced with the task of remediating the environment, there is significant progress and a notable change in the overall attitude towards ecology and our environment in the past several years in Azerbaijan that is extremely impressive.

This year AmCham has focused greatly on issues of the environment as it is of vital importance to all of our members. Having hosted Mr. Mukhtar Babayev, Vice President of State Oil Company, as a special guest speaker at one of our monthly Members' luncheons and conducted environmental awareness programs for children in grades 8-10 at five of the largest schools in Baku, we have now decided to dedicate a separate issue of Impact Azerbaijan to the topic of ecology and environmental protection.

In addition to an exclusive interview by Mr. Huseyn Bagirov, the Minister of Ecology and Natural Resources, this issue features the latest developments happening in Baku and the surrounding regions from "Tamiz Shahar" - the Clean City to the construction of our very first Waste-to-Energy plant and many more.

We hope you enjoy the reading!

**Nargiz Nasrullayeva-Muduroglu**

## Editor's Comment



Dear Readers,

Welcome! For my inaugural issue I wanted to report on a topic that touches everyone, and I think it's safe to say we've accomplished just that. Since the declaration by President Aliyev that 2010 is the year of Ecology, Baku and the surrounding regions have seen many positive changes.

While these changes are a huge step in the right direction, they merely scratch the surface of the enormous challenge that still lies ahead. Part of that challenge is the education of the people of Azerbaijan to alter the way they think about their environment, to take ownership of their actions and to

change the way they live to a different approach than what was taught by the many generations before them.

Many new laws and regulations apply now that discourage the dumping of waste outside of controlled landfills. Millions of new trees have been planted, building codes have been altered, and many new businesses have flourished with the growing tasks of remediating problem areas while establishing procedures to protect the environment moving forward.

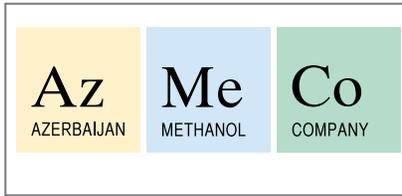
Organic farming has even claimed a stake in the cleaner, healthier options that every citizen of Azerbaijan deserves and they're just getting started. One can only hope that the momentum continues forward towards a brighter Baku.

We'd like to thank our advertisers who consider Impact AZ a viable marketing tool, the consultants who contribute practice information, the photographer who captures each moment and the design team who pull it all together. Without you this magazine would not be possible.

Sincerely,

**Donna Denton**

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# Ministry of Ecology: Setting New Standards in Azerbaijan

Since the inception of President Ilham Aliyev's declaration of 2010 as the Year of Ecology, much needed progress has been made in Baku and the surrounding regions to improve air and water quality. In addition, new laws and restrictions are being enforced to insure the movement continues forward. Impact asked Mr. Huseyn Bagirov, the Ministry of Ecology and Natural Resources, what it all implicates and how the people of Azerbaijan can help insure a cleaner future.

## What has the announcement from President Aliyev proclaiming 2010 the year of Ecology implicated for the Ministry of Ecology and Natural Resources?

A number of facts such as holding conferences on ecological issues chaired by the late President, Mr. Heydar Aliyev's successor, President Ilham Aliyev, adoption and implementation of state programs concerning environmental issues, signing of relevant documents to solve current ecological problems more efficiently as well as announcing 2010 the year of Ecology in Azerbaijan served to raise the priority of this particular topic. As a result of a fast growing economy, increasing revenues are spent on non-oil sectors such as the implementation of ecological projects concerning environmental issues in particular. This alone explains the continuous execution of infrastructure projects and prioritizing measurements taken in reference to ecological issues while there is an economical crises all over the world. Starting from July 1st 2010, imported automobiles must meet the standards of emission control to reduce the pollutions caused by cars. Moreover, in order to continue all of the efforts to render a more healthy environment thus far, legislative enactments for the improvement of the ecological state of Azerbaijan for 2010-2014 has been drafted and introduced to the government. With that said, one can assume Azerbaijan's future ecological state as a very healthy one.

## How was June 5, 2010, World Environment Day (WED), marked here in Azerbaijan?

In 2010, Baku along with Genua and Geneva was appointed as one of the main cities in Europe to celebrate the World Environmental Day (WED) by UNEP. It wasn't a coincidence that Baku was selected as one of the three leading cities in Europe to celebrate this special day. Most importantly, this was the successful result of the consecutive and purposeful activities of the leadership of the Republic of Azerbaijan, President Ilham Aliyev, with regards to the country's economy and social and cultural life on all levels, including the protection of the ecological balance and environmental safety.

This year, WED was held under the motto of the United Nations Environmental Program, "A lot of species, one planet, one future." Mr. Kristof Buyve, Director of the European Bureau of UNEP, visited Baku to attend the event. With the participation of more



than 2000 employees of the Ministry of Ecology and Natural Resources, State and non-governmental organizations, diplomatic corps, international organizations and mass media representatives along with Mr. Buyve participated in a tree-planting campaign at the Zykh-Heydar Aliyev Airport highway road organized by ETSN. Mainly olive, pine, and cypress trees were planted along a 10km stretch of highway. Tree-planting campaigns were held in all of the cities and regions for WED.

As a result of a joint project, "Coverage of Ecological Themes in Mass Media" implemented by the Ministry of Ecology and Natural Resources and mass media under the President of the Republic of Azerbaijan State Support Fund and Press Council of Azerbaijan, journalists in a writing-contest were awarded.

**What are the main areas of focus (i.e. recycling, air quality, water purification, waste disposal, emission control) and what changes can the citizens of Azerbaijan expect to see in the near future?**

*"It is our task in our time and in our generation to hand down undiminished to those who come after us, as was handed down to us by those who went before, the natural wealth and beauty which is ours"*

**John F. Kennedy**

1917–1963, Thirty-fifth President of the USA

The main direction of the improvement of the ecological situation in the Republic of Azerbaijan consists of the following objectives: water pollution, protection of biodiversity, increased green spaces, protection of atmospheric air, prevention of the degradation of soil, remediation of contaminated soil including oil and other wastes, and industrial and household solid waste, including hazardous waste management improvement.

Some attempts to solve environmental problems in these areas have already been made and results are becoming more obvious. Recently, governmental programs on ecologically sustainable socio-economic development, forest restoration and the development program of Hydrometeorology of the Republic of Azerbaijan along with other projects were implemented. A number of important actions have taken place to implement important and very valuable documents for a comprehensive action plan on improving the ecological situation for 2006-2010, which was signed by the Head of State. Its purpose is to solve environmental problems to insure the country's environmental conditions in the regions.

In Baku, environmental improvement of the city and the Absheron Peninsula was implemented with priority. Additional improvement efforts aimed at Baku Bay, Bibi Heybat zone, surrounding areas of the International Airport named after Heydar Aliyev, the Absheron peninsula lakes, oil-contaminated soils, waters under prior sites, and other production waste polluted areas are forthcoming.

The country's modern environmental monitoring system based on advanced world experience and new technologies has been established to better and more accurately evaluate and analyze the environmental components of the different regions, including the country's Transboundary Rivers. For development of the National Hydrometeorology services, a hydro meteorological observation net has been established in accordance to appropriate standards of forecasting systems, telecommunications and information technology. The "Complex Hydrometeorology and Environmental Research Center" was established for the purpose of studying accurate observations of glacier and weather conditions as well as flora and fauna of the deep high mountain in the territory of the Republic of Azerbaijan. A Complex Scientific Center on the basis of automatic weather stations has been installed on the top of Shahdagh and continuously runs on alternative energy.

Furthermore, 287 thousand tons of mercury containing toxic wastes polluting Sumgait City above the norms for many years have been completely moved to a Dangerous Waste Polygon and neutralized.

One of the main directions of the Ministry's activities was preservation of biodiversity. As a result of the Ministry's efforts, a number of landscapes have been developed and their plots have been increased from 478 thousand hectares to 890 thousand hectares since 2003. Currently, a network of 8 National Parks, 11 State Nature Reserves and 24 State Nature Sanctuaries occupy 10.3% of the country's territory. From 2003-2009, a number of significant measures have been



taken to protect, restore and regenerate new forests. While planting, sowing and natural restoration measures in 2002 covered only 7,750 hectares, that number increased to 10,751 hectares in 2009. Most impressively, from 2003-2009 forest restoration efforts effected a total of 69,715 hectares.

The planting of 3 million trees in Baku and its surrounding areas was one of the initiatives of the President of the Republic of Azerbaijan since 2009. From the autumn of 2009 to the summer of 2010, 8 million trees of 200,000 different species were planted, 5 million of them on the behalf of the Ministry of Ecology and Natural Resources. In Baku and the Absheron peninsula area, a total of 1,540,000 trees were planted with 1,005,000 planted on behalf of the Ministry.

With regards to the presidential direction to initiate "some measures to improve ecologically clean water to population," 122 villages in 12 regions were installed with modular water treatment devices between 2007-2009. This resulted in 224,000 people being provided with drinking water which meets the standards of the World Health Organization. At the moment, another 96 villages in 18 regions are being supplied with modular water treatment devices that will provide drinking water to over 170,000 more people.

Additionally, as a result of the construction of modular-type waste water treatment facilities for managing waste water that is not connected to the central sewer system, 86 kilometers of the north coastal areas of the Absheron peninsula were supplied with 16 water filters with a daily capacity of 6140 m<sup>3</sup>. As a result, for the first time environmental protection systems have been created for the countries on the Caspian shore.

#### **How sustainable are these changes, and how will the effort to improve the Ecology of Azerbaijan continue?**

The framework of the system creates conditions for keeping the Absheron peninsula clean moving forward. Similar activities will continue with future large scale projects.

Proper policy set on the improvement of the social-economical



issues of our country thus far have been successful for our Republic. It should also be noted that efforts to improve the environment have been approved by management of this country and have been implemented through state programs and event planning which support the ongoing development of such principles. In general, strengthening the ecological situation and the utilization of natural resources will insure an ever improving environment in Azerbaijan.

**Are there any new laws and regulations being established to prevent and protect the Ecology and Natural Resources**

**in Azerbaijan? How will they be enforced in both the commercial and public sectors?**

Some changes have been made to the Azerbaijan Republic Criminal Codes and the Code of Azerbaijan Republic on Administrative Violations within the Laws of Azerbaijan Republic from 2009-2010. Thus, the amount of fines incurred as financial sanction have been increased and restrictions for committing crimes including the unlawful cutting of trees as an administrative violation now apply to cities and other settlements, main-line highways, railways, and green areas of landscape gardening located in conservation zones and water storage reservoirs. Also, not obtaining necessary permits prior to moving landscape gardening to different locations, or not arranging preparations to secure the landscape gardening one owns while carrying out construction work is considered administrative illegal misconduct per the amendment made to the article of Administrative Violations Codes.

**Are there any guidelines or requirements that new construction must meet when establishing new locations in Azerbaijan? (i.e. number of trees planted per square meter, use of sustainable building materials, energy efficiency requirements)**

While planning urban areas and settlements the percentage of green should be no less than 40 or 25% accordingly. Scope of public parks, gardens or other green areas is 10 m2 for large cities, 7 m2 for medium cities and 8 m2 for small ones. Before receiving certificates on hygiene and compliance, construction materials should be verified that they meet environmental standards for radiation safety. The use of modern technology and alternative energy sources which consume less energy is always encouraged.

**Can you provide a list of the top 10 things the citizens of Azerbaijan can do to help improve the Ecology?**

1. Don't cut down trees in order to heat houses but use paraffin and fuel stoves for heating
2. In order to prevent wasteland, pasture areas should be chosen in a proper manner to insure future use
3. Livestock should be kept in enclosed areas and manure used as alternative energy
4. People should be responsible towards nature, being careful with the outdoor use of fire and try their best to teach environmental responsibility to next generations
5. People who live in small villages should use biogas equipment as 1 biogas unit can provide gas for one family
6. Every citizen should take action against the ecological violations one witnesses and be guardians and protectors of nature and of their own environment
7. Waste shouldn't be thrown out randomly, it should be sorted by material for future recycling programs
8. Air pollution should be prevented by keeping transportation means in good condition and adhering to the new emission controls policy
9. Don't pollute water reservoirs
10. Every citizen and every resident should respect landscaped areas and contribute in the extension of green spaces and gardens. ■

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# EKOL Engineering Services: a Partner in Protection



**Faced with the daunting task of remediating over 100 years of environmental neglect, Socar took the first steps towards cleaning up Azerbaijan. EKOL Engineering Services was born out of the necessity to provide environmental protection services to international standards, and has been in the game doing just that since 2006. In times of economic downturn, EKOL has grown internally and on a services level. Impact spoke with Aliyev Ramil of Ekol Engineering Services CJSC to find out how EKOL has extended its reach.**

#### **What is EKOL's business model, and when and why were you established?**

State authorities including SOCAR were closely involved in the implementation of a comprehensive action plan for the "Improvement of the Environmental Situation in Azerbaijan Republic for 2006-2010" approved by the Presidential decree N 1607 dated September 28, 2006 as well as the "State Program for Social-Economic development of the regions of the Republic of Azerbaijan for 2009-2013" confirmed

by decree N 80 on April 14, 2009. In order to meet their obligations, SOCAR determined its own environmental politics and has developed and started the implementation of a wide-action plan in due course. With over 150 years of primitive methods of oil production in the region, negligence of ecological requirements and the goal of eliminating numerous environmental problems it was necessary to involve foreign investors in establishing modern joint ventures to meet international standards. In light of this, SOCAR established joint ventures with numerous leading foreign companies. Together with Lancer Environmental Consulting Company (49%), SOCAR (51%) founded EKOL Engineering Services Closed Joint Stock Company (CJSC) on April 17, 2006.

#### **What is the scope of the environmental protection services you offer? (i.e. the type of environmental challenges, treatment of each type, and the monitoring of companies in Azerbaijan)**

EKOL is primarily involved on environmental projects such as bioremediation and landscape restoration, irrigation systems

*"We abuse land because we regard it as a commodity belonging to us. When we see land as a community to which we belong, we may begin to use it with love and respect."*

#### **Aldo Leopold**

American ecologist, forester, and environmentalist

installation, contaminated soil remediation, laboratory services, environmental regulatory and technical document preparation, soil profile, the withdrawal and conduction of chemical analysis, monitoring of industrial areas of OGPB's mining areas and oil-refining plants (under SOCAR's supervision), discharge of water treatment, cleaning of scraper wax formed by oil and gas extraction, industrial waste, etc.

#### **How do you support local businesses to meet and maintain the new regulations established by the Ministry of Ecology?**

In 2006, EKOL's first project involved water purification devices for the industrial-waste-water treatment of the 9-th site of Baku Oil Refinery, which was named after Haydar Aliyev. That same year, around 1000-1200 m<sup>3</sup>/h of waste water was cleaned from oil products and recycled for technical purposes. In 2007, EKOL significantly expanded their customer base. EKOL projects included work on a number of tasks such as industry-waste-water treatment at Azneftiyagh, remediation of oil-contaminated soil at Bibihaybatneft, OGPB-mining areas and the drying of oil contaminated lakes.

#### **Are your services geared towards controlling and preventing environmental issues from one specific industry or from every commercial industry in Azerbaijan?**

Our company has a special role in the improvement of the environment in the Bibiheybat area. The speedy and sustainable development of EKOL Engineering Services in 2006 extended our reach. In addition to its initial offerings, EKOL got involved in landscaping activities, installation of irrigation systems, and various levels of planting as well as profile analysis of soil. Inter-company growth included the creation of new departments such as the Waste Processing Department, Environmental Monitoring Department, and the Department of Soil Remediation as well as Finance and Accounting departments. EKOL CJSC built its reputation

on international standards and is certified with a number of State special licenses and International TSE-EN-ISO 14001 certificates. The number of employees since our inception in 2006 has dramatically increased from 167 to 460. Significant progress has been achieved in strengthening the material-technical base for the purpose of clearing the industrial-waste-waters as well as refine and render harmless oil-slime in the region. With the adoption of modern technologies, EKOL has purchased related equipment to support the productivity of 30 m<sup>3</sup> / h produced by Swiss company Alfa-Laval, a separator with the capacity of 1200 m<sup>3</sup> / h produced by German Company Facet, 28 passenger cars, 6 lorries, 17 units of special equipment, state-of-the-art pumps and related equipment. In 2008, construction of a paraffin treatment plant which meets international standards was completed and put into production.

As a logical continuation of Mr. President Ilham Aliyev's attention to environmental issues, the year of 2010 was announced "The Year of Ecology." In turn, SOCAR's responsibility to environmental services has increased making it necessary to delegate part to EKOL Engineering Services regarding remediation and bioremediation of contaminated soils and mining areas.

In 2010 in the framework of "The Year of Ecology" Ekol Engineering Services, CJSC and Azneft Production Association have jointly set up an implementation of oil contaminated soil remediation and bioremediation projects in operational sites of Z.Tagiyev OGPB situated in Gala prospect, Absheronneft OGPB in Pirallahi prospect, Siazanneft OGPB in Siazan district and Balakhani OGPB in Kurdakhani prospect.

EKOL's development allows us to extend our areas of expertise and external relations, and increase and develop our material-technical base and staff capacity. In the near future, EKOL intends to be internationally recognized among ecology and engineering services companies. ■



**Təbiətə yaxın ol!**



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# Tamiz Shahar: the Clean City Shines at Balakhani Landfill

Since the 1960's, a landfill covering 120 hectares and containing a staggering 60 million cubic meters of waste, home to waste pickers and scavengers alike, has been used as an open dumping site by thousands of people. This is Balakhani landfill, a blot on Azerbaijan's ecological escutcheon. Balakhani is one of 3 official landfills in Baku. In addition, there are 40 unofficial dump sites with areas exceeding 100 sq meters each that have been identified in Baku city and the surrounding suburban settlements. Together with smaller sites, they total nearly 2000. Impact spoke with Zakir Ibrahimov, Head of the Executive Board of Tamiz Shahar JSC, or *Clean City*, about the implications of rehabilitating Balakhani.

Tamiz Shahar JSC was established in accordance with the Presidential decree of August 2008, on Improvement of Municipal Waste Management in Baku City. Its duty is to build and manage solid municipal waste placement and disposal in accordance with modern standards, and to develop this area by stages based on the principles of market economy, thereby improving the ecological condition of the city.

In October 2009, all 3 official landfills – Balakhani, Surakhani and Garadakh – were entrusted by the Baku City Executive Power to Tamiz Shahar JSC. The state funded company was faced with the daunting task of rehabilitating the landfills.

Tamiz Shahar JSC quickly determined that while all sites warrant conversion, the Balakhani landfill was to take priority as the site was teeming with infection and covered by a pall of putrid smoke from the indiscriminate burning of trash by rag pickers attempting to locate scrap iron...a wasteland without security or borders.

Within a relatively short time frame, Tamiz Shahar has secured the space to prevent unauthorized entry to the site, leveled and landscaped the area, provided Personal Protective Equipment and uniforms to nearly 200 workers, and established a special sorting area to make it easier to separate municipal waste from recyclables. The fires have been controlled and the acrid smoke has been eliminated. Mobile offices have been provided for administrative purposes. Internal roads have been laid for trucks to enter and exit the site. All personnel and vehicles entering the

*"We, the generation that faces the next century, can add the solemn injunction "If we don't do the impossible, we shall be faced with the unthinkable."*

**Petra Kelly**

A politician instrumental in founding the German Green Party

in focus

site are registered, and all waste volumes are recorded properly.

There is now only one area where waste is accepted. There are plans to establish a semi-automatic sorting line in the near future that will sort 200,000 tons of waste annually, as well as provide a weight bridge to efficiently weigh incoming waste to meet reporting requirements.

The workers have access to a catering service as well as newly constructed toilets and showers where they can wash and disinfect themselves after work. These are only the external signs of a much deeper change that Tamiz Shahar hopes to create. The real challenge, says Mr. Ibrahimov, lies in changing the mentality of a people who have been dumping garbage there for years and see no reason to abandon the habits of generations before them. An important first step is to involve the local population, to employ and educate the people of Baku to see the benefits of the controlled collection and utilization of waste.

The first disinfecting units for vehicles will be built by the end of this year to wash and disinfect all trucks leaving the Balakhani landfill. Should this pilot project be successful, others will follow. It is not economically or environmentally viable to transport waste over long distances in terms of fuel costs, vehicle usage and potential air pollution. The year 2011 will also see the first transfer stations for preliminary sorting constructed at Khazar and Garadagh districts to alleviate such hazards. Balakhani can then receive a reduced volume of waste, and only that which cannot be sorted elsewhere.

At any dumping site, decomposing waste generates greenhouse gases, as well as effluent water containing hazardous substances that seep into the ground running the risk of contaminating ground water. At a site the size of Balakhani, the damage to the environment is significant. Here, the less "active" parts of the terrain have been covered and the more infected areas have been contained. Biogas containing methane can potentially be captured and processed into energy.

These steps are only the preliminary to a much more comprehensive plan for the safe disposal of waste. Although it was imperative to solve the problem at the Balakhani site, Mr. Ibrahimov says that the dumping of waste into landfills is actually the least environmentally friendly option. A more complex approach encompassing sorting, incineration and the construction of modern, sanitary landfills is necessary. A better use of these landfills may be to gather recyclables and process alternative energy from a methane capturing system.

Apart from the obvious ecological benefits of this initiative, the landfills or waste-to-energy plants will produce marketable commodities: electrical energy which will be supplied to the general grid and bottom ash from incineration of waste which can be used to facilitate the creation of a cheap raw material market.

Another step to improve the waste management in the greater Baku area, according to a Loan Agreement of \$41.5 million, entered into by and between the Ministry of Economic

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Development on behalf of the Government of Azerbaijan and the World Bank on May 20, 2009 “The Integrated Solid Waste Management Project” will be implemented within 5 years. The amount funded by the World Bank is \$29.5 million

The amount funded by the Government of Azerbaijan is \$12.0 million

The following works will be implemented within the framework of this project:

1. Institutional reform, capacity building and project management.
2. Balakhani Landfill Rehabilitation and Management
3. Closure and Management of Other Dumps
4. Urgent Collection Equipment for Under-served Baku Districts
5. Technical Preparation of post-Project investments.

The construction of a Waste-to-Energy Plant has been approved within the framework of “The Comprehensive Action Plan about the improvement of ecological situation in the Republic of Azerbaijan for 2006-2010 years” which has been approved by the President of the Republic of Azerbaijan on September 28, 2006. A bid was announced for selecting the Contractor Company by the Ministry of Economic Development and the agreement for the design, the building, operating and technical services was signed with the chosen company, “Constructions Industrielles de la Mediterranee S.A.” (“CNIM” S.A.). The contract is turnkey and will be carried out with the principle of “Design/Build/Operate”.

now



Mr. Ibrahimov says, “Solid waste management begins in our homes. We are pursuing a campaign to raise public awareness, targeting our children as the next generation who will hopefully grow up as environmentally conscious and concerned citizens.” Tamiz Shahar in collaboration with EkoSfera Social-Ecological Center held a public inquiry to obtain information about the behavior of Baku citizens in reference to the awareness level and opinions in regard to waste management. The findings of this poll show that 64.2% of respondents stated their readiness to separate household waste at home and that the majority are capable of segregating recyclable materials such as glass, plastic and paper from the total mass. The results of this survey will be used to raise public awareness, form a strategy for waste management in Baku, initiate possible amendments in national legislation in this area, change the tariff policy and apply penalties for breaches of environmental law.

Tamiz Shahar has taken on a difficult and challenging task, and their success is largely dependant on the level of cooperation they receive from the public. With everything that is being implemented to better the environment in which we all live, hopefully we will cease to see the willful littering from car windows and the dumping of trash on the streets of Azerbaijan in the very near future. It is imperative that we all do our part to insure a cleaner, greener Baku. ■



# Waste-to-Energy Plant Makes its Debut in Baku

The construction of the Balakhani Waste-to-Energy Plant will be welcome news for all those concerned citizens who deplore the serious ecological consequences of the accumulation of waste. The best news is that this plant will generate energy as a by-product of the safe disposal of waste. AmCham member “CNIM”, a French based company with 50 years of experience in the construction of 240 Waste-to-Energy lines in over 140 plants in the world is the main contractor. Impact spoke with CNIM’s Andre’ Berthe:

## What happens in the Waste-to-Energy (WtE) plant?

The plant is being constructed in a 10 hectares area of the Balakhani settlement of Baku city on the basis of a Design, Build, Operate (DBO) contract concluded with the Ministry of Economic Development (MED) of the Azerbaijan Republic in December 2008. The start-up of regular operations is scheduled for September 2012. After completion of construction, CNIM will operate the plant for the next 20 years.

The Baku WtE plant consists of 3 major components: a reverse-acting grate, an energy-producing facility and a flue gas treatment system.

- **Reverse-acting grate** - the bottom of the kiln where

domestic waste is burned, is provided by Martin GmbH, our permanent partner in WtE projects from the beginning of the 1960’s who has captured over one third of the world’s WtE market. This system ensures quality and efficiency of combustion, longevity and reliability.

- **Energy producing facility** – or boiler system, is responsible for the waste recovery and transformation into steam of the energy released by the combustion of waste, and is designed and produced by CNIM. Please note that the world’s largest boiler-grate system (2 x 50 tons/hour of waste) built with Martin grates by CNIM was commissioned in 1969 and is still operational at the plant in Ivry near Paris.
- **Flue gas treatment equipment** - provides environmental protection, and is produced by LAB, a wholly owned subsidiary of CNIM who has independently supplied more than 250 flue gas cleaning systems around the world.

## What is the plant capacity?

The Baku plant at Balakhani will have an annual capacity of 500,000 tons of waste per year which makes it one of the largest in Europe and the first of its kind in the CIS. There are two treatment lines at the plant that are capable of treating 33 tons/hour of waste each. The plant design allows adding



a third treatment line which would increase the annual plant capacity up to 750,000 tons each year, if necessary.

#### **How will the Baku plant generate energy? How much electricity will the plant produce?**

Waste releases energy during combustion. No external energy is needed to burn the waste in normal operation. In the boiler, this energy is transferred from combustion gas to water, which evaporates into steam at 40 bar, or 400 °C. This steam is then expanded into a turbine generator set which turns its energy into electricity. The annual energy valorisation, or total electricity production, will be 270,000 MWh per year.

#### **Will the amount of electricity produced have any effect on the supply and price of this utility?**

The plant will consume about 15% of the electricity produced. The remaining 85 %, or approximately 231,500 MWh/year, will be sent to the electrical grid and distributed to consumers. Furthermore, anything produced at the plant will belong to the Azerbaijani State which is going to benefit from energy sales.

#### **What is the cost of this construction?**

The total cost of the design-build works of the plant is 346 million EURO.

#### **Why would one describe the Baku plant as state of the art?**

The Baku plant at Balakhani enjoys the latest achievements

of WtE technologies in the world today and its components fulfil the definition of Best Available Techniques according to the EU (European Union) legislation.

#### **How are odors and emissions controlled?**

Actually the air pressure inside the WtE plant building is kept at a lower level than the outside pressure, insuring that no odors escape to the outer building atmosphere.

In addition, the combustion air is drawn-out from an area above the waste bunker and therefore, any odorous particle released by the waste because of waste fermentation is destroyed during the combustion process, which is achieved at a temperature as high as 1100°C.

In respect to the pollutants, which are contained in the waste and are released during combustion, Baku WtE plant will be equipped with a sophisticated environment protection system. CNIM-LAB applies a 3-stage Flue Gas Treatment system with NOx Reduction. This reliable flue gas treatment system (hundreds installed in the world) insures that no harmful emissions to the surrounding atmosphere will occur.

The treatment process starts at the top of the kiln with a so-called Selective Non-Catalytic Reduction system (SNCR) by adding a urea solution, which reduces the nitrogen oxides below the required level.

A semi-wet treatment system, utilizing injection of lime slurry into an atomizing reactor, is used to neutralize the acid gas.

The third stage consists of a final fabric filter, which captures

*"As soils are depleted, human health, vitality and intelligence go with them."*

**Louis Bromfield**

1896–1956, American Author

dust (fly ash), heavy metals and dioxins. Furans are adsorbed on activated carbon which is injected upstream of the reactor.

Multilevel and functional monitoring and control of environmental emissions indicators will be conducted on a permanent, regular daily basis. After metal removal and treatment, bottom ash can be utilized as a material for road construction.

### **How will the Baku plant give benefit to the community? When will the benefits of this plant be felt?**

The benefits of the Baku WtE plant for the community are numerous:

Replacement of fossil fuels results in fuel savings. This subsequently leads to the reduction of greenhouse gas emissions as CO<sub>2</sub> is not emitted by replaced fossil fuels; half of the energy of municipal waste is recognized as being from a biogenic origin and therefore neutral in terms of CO<sub>2</sub> emissions.

Waste incineration also leads to a significant reduction of dependence on landfills. As a result, toxic substances are eliminated from the eco-cycle and pathogen agents are destroyed. Replacing landfills by incineration is also beneficial in respect of climate change since greenhouse effects are significantly reduced by offsetting methane emissions from landfills. The Global Warming Potential (GWP) of methane, which constitutes half of the gas released by landfills, is in mass 25 times that of CO<sub>2</sub>. Note that 100% of the carbon from waste is released by incineration as CO<sub>2</sub>.

Another advantage is that incineration reduces domestic waste volumes by 90%. If bottom ash is utilized for road

construction, the reduction effect increases up to 99%. In respect of weight, the effect of the incineration process is reduced by 4 times.

In general, Waste-to-Energy plants contribute to the economy of natural resources, development of alternative energy sources and climate and health protection.

### **What is the economic viability and the impact of this construction?**

In terms of financial returns, sales of electric energy produced at the plant will yield 9-10 million AZN per year prior to profit margins realized with the utilization of bottom ash for road construction.

Revenues of Azerbaijani State from this Clean Development Mechanism (CDM) within the framework of the Kyoto Agreement are going to be around 15-20 million EURO during the next 8-10 years. Employment opportunities have increased with up to 400 employees needed during construction, and 80-100 employees needed at the plant once operational. The project will also strongly influence the development of alternative fuel sources in Azerbaijan.

Some infrastructures will be enhanced in the area around the WtE plant with 2- 3% of the total project value being spent for social development purposes, including local area improvement, health, education etc.

Intangible benefits of the project are much more significant than those of commercial nature and tremendous contributions to health and environment protection is the main of them. The result will positively affect not only the Balakhani landfill, but the entire Baku region. Bravo! ■

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The "Introduction to Azerbaijani Culture" course is designed for overseas visitors who live or work in Azerbaijan. It gives an insight into the history, culture, religion and customs of Azerbaijan and provides an orientation to the style of life in Azerbaijan and the City of Baku. It provides foreigners with vital cultural awareness, that helps to avoid a cultural clash.

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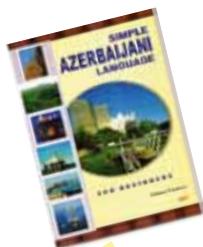
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in support of public policy that encourages and enables green buildings and communities.

Since its inception in 1998, the U.S. Green Building Council has grown to encompass more than 14,000 projects in the United States and 30 countries covering 1.062 billion square feet (99 km<sup>2</sup>) of development area. So, they are making an impact.

**So how does the LEED program work?**

To be brief, there are two parts of LEED, the building rating system and the professional accreditation.

The LEED® green building certification program is a voluntary rating system for buildings designed, constructed and operated for improved environmental and human health performance. LEED addresses all building types with emphasis in five strategic areas: sustainable site development, water savings, energy efficiency, materials and resources selection, and indoor environmental quality.

LEED Professional Credentials (LEED AP) recognize professionals who have demonstrated a thorough understanding of green building techniques, the LEED green building rating systems,

and the certification process. To become accredited, you have to score at least 170 out of 200 on the exam. Only LEED Accredited Professionals are allowed to place “LEED AP” after their name.

**How does the building rating system work?**

As a very basic overview, the LEED system gives point values for particular green building strategies, organized in 5 categories. Based on the number of points achieved, there are 4 levels of certification:

Certified:	40-49 points
Silver:	50-59 points
Gold:	60-79 points
Platinum:	80 points and above

LEED certification is obtained after submitting an application documenting compliance with the requirements of the rating system as well as paying registration and certification fees. The Green Building Certification Institute then provides third party verification of project compliance with LEED requirements.

Points are broken down into six categories, and some categories have “prerequisites”, or required items every project must comply with. The six categories are:



### Sustainable Sites

Choosing a building's site and managing that site during construction are important considerations for a project's sustainability. The Sustainable Sites category discourages development on previously undeveloped land; clean up and development of polluted sites, encourages alternative transportation use, minimizing a building's impact on the site during construction, maximizing open space, control of storm water runoff quality and quantity; reducing the site and buildings heat island effect, and minimizing light pollution.

### Water Efficiency

The goal of the Water Efficiency credit category is to encourage smarter use of water, inside and out. Points are achieved by water efficient landscaping, not using potable water for irrigation or eliminating irrigation systems, and water use reduction.

### Energy & Atmosphere

The Energy & Atmosphere category encourages a wide variety of energy strategies: commissioning of building systems; use of environmentally friendly refrigerants, optimizing energy performance; use of on site renewable energy like wind or solar, and energy use monitoring.

### Materials & Resources

During both the construction and operations phases, buildings generate a lot of waste and use a lot of materials and resources. This credit category encourages building reuse, recycling of construction waste, use of materials with recycled content, reuse of materials, use of regionally available materials and rapidly renewable materials, or those which are sustainably grown, harvested and produced.

### Indoor Environmental Quality

This is my favorite category, and what separates the LEED system from others. The U.S. Environmental Protection Agency estimates that Americans spend about 90% of their day indoors, where the air quality could be worse than outside. The Indoor Environmental Quality credit category promotes strategies that can improve indoor air, such as providing fresh air inside buildings, increased ventilation, protection of heating and air conditioning systems during construction, use of low emitting materials such as adhesives, sealants, paints, and carpet, proper storage of indoor chemicals, controllability of lighting systems and thermal systems by individual building users, as well as providing natural daylight and views to a high percentage of the building spaces.

### Innovation in Design

This unique category provides a way for the project team to come up with new and innovative ways to green a building. Each innovative idea earns one point. It also gives one point for involving a LEED Accredited Professional.

### Why attempt LEED certification?

Well, there are many benefits. From an economic point of view, they include decreased operating costs by energy and water conservation. From a social responsibility point of view, pollution reduction, solid waste reduction, public recognition for leadership and "greenness," a healthier and more productive workplace, reduced maintenance costs, higher rents and occupancy rates, and in certain locales, tax benefits or other incentives.

According to the U.S. Department of Energy, buildings use 39% of the energy and 74% of the electricity produced each year in the United States. And, they generate almost half of greenhouse gas emissions.

### Does building green cost more?

The most criticized issue about constructing environmentally friendly buildings is the price. However, recent studies of the cost of green buildings find that most green buildings cost a premium of <2%, but yield 10 times as much savings over the entire life of the building. The stigma is between the knowledge of up-front cost vs. life-cycle cost.

Also, higher worker or student productivity can be factored in. There are some very convincing studies showing students performing better in schools that are built green.

Studies have shown over a 20 year life period, some green buildings have yielded \$53 to \$71 per square foot back on investment. It is projected that different sectors could save \$130 billion on energy bills.

Architects are now able to create not only passive, null-emission buildings, but rather be able to integrate the entire power system into the building design. In 2004, a 59 home housing community, the Solar Settlement, and a 60,000 sq. ft. integrated retail, commercial and residential building, the Sun Ship, were

"The sun, the moon and the stars would have disappeared long ago had they happened to be within the reach of predatory human hands."

**Havelock Ellis**

1859–1939, British Psychologist

completed by architect Rolf Disch in Freiburg, Germany. The Solar Settlement is the first housing community world wide in which every home, all 59, produce a positive energy balance. Also, developers and building owners are finding there is marketing value to advertising their buildings as green. It's a way for them to differentiate themselves from their competitors.

### So, what's the first step? How would a building owner get started?

The earlier the decision is made to seek LEED certification the better. Its best to employ an architect who has experience with LEED projects, and you can employ a LEED accredited professional as a consultant to be a part of the project team. Be sure at least one person on the project is LEED accredited. There is some extra work that goes into the planning phase, and you have to document everything for submission. But, I think the level of effort compared to the end result is well worth it. If it's executed properly, it will promote all of the project team designers - the architect, mechanical engineer, electrical engineer, landscape architect, etc..., as well as the contractor to work together to design and build a better building.

Some good sources of green building and green product information:

[www.usgbc.org](http://www.usgbc.org) - website of the United States Green Building Council

[www.nrdc.org](http://www.nrdc.org) - website of the Natural Resources Defense Council

[www.nrel.gov](http://www.nrel.gov) - website of the National Renewable Energy Laboratory

### Consumer Reports:

([www.greenerchoices.org/eco-labels/eco-home.cfm](http://www.greenerchoices.org/eco-labels/eco-home.cfm))

The Greener Choices Eco-label center allows users to compare labels (149 at press time) on products such as wood using the organization's report cards.

### EcoLogo:

([www.ecologo.org](http://www.ecologo.org))

Allows users to browse products that have received this independent, multi-attribute environmental mark in more than 200 categories of products.

### Energy Star:

([www.energystar.gov](http://www.energystar.gov))

Provides energy-efficient product listings.

### Greenguard:

([www.greenguard.org](http://www.greenguard.org))

The certification program does third-party testing for low-emitting products and materials. All certified products are listed in the online product guide, an indoor air quality (IAQ) resource.

### GreenSeal:

([www.greenseal.org](http://www.greenseal.org))

Offers an index of products certified by this non-profit organization.



### WaterSense:

([www.epa.gov/watersense](http://www.epa.gov/watersense))

Provides water-efficient product listings. ■

*Kevin Denton is the Project Director for Hill International, a worldwide project management consultant firm, managing the Baku Flame Towers Project. He is LEED accredited since 2003, and has been involved in several green building projects. Hill International has vast experience delivering LEED certified buildings worldwide.*



# grow, GROW... A AGRO Mr. Abasgulyev speaks organics

**In today's world, nutritional value can sometimes take a back seat to gross profit margins, and we find ourselves faced with options that include pesticide laden produce and genetically modified food as staples in our daily diets. It seems reading labels often requires a PhD in Nutrition or a translator at the very least. But there is a better way to farm whole food and it's happening right here in Baku! Impact spoke with Mr. Samad Abasgulyev, founder of A AGRO, about his pioneering effort to grow organic lettuce and the challenges he faces in the arid climate of Azerbaijan.**

**When was A AGRO established and why was being “green” an important factor in your business model?**

A AGRO is an integrated agricultural and food processing enterprise based in the Absheron Peninsular in Azerbaijan. We specialize in growing, processing and distributing fresh vegetables, mainly Lettuce (*Lactuca Sativa*).

This year we celebrated our 10th anniversary. Our first

trial plantations were planted on rented land in early 2000. We tested several varieties of Lettuce and succeeded with organic trials. Just two years later we acquired a new windswept plot of land just beyond the capital city of Baku and started ascension into “blue & green” production. Since inception, the logo of our company shines with these colors through all we do.

**Are there any specific guidelines or requirements regarding certification for organic produce in Azerbaijan? How do you insure that you meet such regulations?**

As far as I am aware, there are no international organic certification bodies accredited in Azerbaijan thus far. Moreover, production according to organic regulations first requires a local market and environment and infrastructure development to a certain standard prior to establishing an in-country organic production and certification policy. I believe Azerbaijan has all the prerequisites for certified organic production and all precautions are taken to reach that standard.

From an international certification point, our mid-term goal is to

*"The nation that destroys its soil destroys itself."*

**Aldo Leopold**

1882–1945, Thirty-second President of the USA

acquire an ISO 22000 certificate early next year. Currently we are in the process of preparation and training, which will last for the next 6 months. Compliance to ISO 22000 will be our first step towards organic certification which is a higher level of standards commitment in comparison to food safety regulations.

**How was providing organic produce first received by your customers, and who are your main clientele?**

Facts abundantly prove that lettuce originates from the ancient shores of the Caspian Sea. However, in modern Azerbaijan, for some reason consumption of lettuce was not a part of the mass eating habits of our citizens. At the very beginning of our marketing activities, a major share of our customers consisted of those from other parts who were accustomed to this food and for whom lettuce had already been an integral part of nutrition. Slowly but surely the circle of our customer base expanded, which was a good indication for us that sound food was welcomed and our produce had potential in Azerbaijan.

At present and in general, we supply fresh produce to all those who appreciate sound food. Private clients, fast food chains, catering companies and hotels are among our major clients. We also have strategic, long lasting and mutually beneficial relations with McDonald's in Azerbaijan. Our hope is to grow in parallel with the regional increase of McDonald's outlets.

**What kind of growth have you experienced since your inception, and what are your future plans in regards to expansion of services?**

Unlike oil & gas or construction industries, development in agriculture and food processing industries has intrinsic smooth trends. So, market wise, starting nearly 10 years ago with only one major contract, we believe in patience and diligence as the secret of growth. Today, our customer base continues to diversify steadily.

Technology wise, we introduced modern world class horticultural equipment and food processing machinery. In addition to gaining rare operation experience, this technology allowed us to stay in tune with produce quality and production schedules. Moreover, we've expanded our vegetable cultivation area every year and plan to almost triple it next year.

As for expansion of services, our next step is to provide a sound product and guarantee safe, fresh produce that is easily available to potential consumers in Baku and surrounding areas. In other words, the idea is to introduce our produce via retail outlets. This step comes naturally in the growth of our company as more and more people have contacted us wishing to have our produce available in direct proximity to their homes and work places.

**What are some of the unique features of your farming processes that separate you from the average produce sold in and around Baku?**

First of all, we import quality seed material from leading



international companies. Cultivation of these varieties requires a certain scientific approach and experience.

Our technology allows the farming of green vegetables almost all year round. Depending on the season and external conditions, we use greenhouses, shade halls and cool tunnels in order to create the proper environment for these plants.

For instance, summer lettuce requires that we use screens and a fan system with cool water from underground tanks that is pushed through the fiber screen like a waterfall at one gable of a greenhouse, and exhaust fans at the opposite gable that pull humid air out of the greenhouse taking away excess heat. This simple system allows us to cool down the air inside to 27°C while outside temperatures reach approximately 38°C. For the rational water use, we install computerized spray and drip irrigation systems in each plot we cultivate.

Of course, soil preparation plays a significant role in our intensive organic production. Prior to each transplanting, we enrich the soil with compost and vermin-compost, or worm compost of our own production.

You ask what makes our farming process distinctive. I would answer, "nature's blessing first of all, together with our special touch and many other techniques and tools which one interview can hardly embrace."



**Will expansion and enhanced delivery services increase the cost of your products, and how will you remain competitive?**

Whatever expansion we undertake, our pricing policy is: “Quality food - honestly priced.” Moreover, sales through retail outlets will bring into effect the economy of scales mechanism, and we expect the cost of our produce to be reasonable enough to make it affordable to all those who wish to have it in daily ration.

As for the competition, I believe there is a lot of good wear left in the MAIN ENTRANCE sign above the gates of our company, and as soon as it shines in blue & green there will be no other “best offers” and “lowest prices” to compete.

**What are your business goals moving forward and how will you sustain the quality of your products and services?**

As I already mentioned, our challenging goal is to introduce a new-to-the-market fresh produce concept through retail outlets in Baku. We do hope to provide our customers with ready-to-eat lettuce and fresh salads by the end of the year. We welcome any feedback on this initiative from our regular customers so we can polish recipes together, work on convenient packing design, etc.

Answering your question on sustaining the quality of our products and services, I recall the words of Emerson who said that “to be yourself in a world that is constantly trying to

make you something else is the greatest accomplishment.” I can only add that it is a challenging accomplishment in our case. Food safety and quality assurance tend to be a focal point in our production. We fully appreciate that quality is a fashion that never goes out of date, and is essential in our industry in particular. This is why one of our main initiatives is directed at successfully achieving an ISO 22000 certification as previously discussed.

To reinforce the customer service part of our business, we are introducing a Customer Relationship Management(CRM) program as an integral part of the Enterprise Recourse Planning system we currently use. These are innovative and flexible software systems created to harmonize production, quality and customer satisfaction which I hope our customers will appreciate....and soon! ■

*Mr. Abasguliyev, a native of Baku, attended local schools including Baku City School No. 23 and Baku State University where he graduated with honors. He continued his focus completing various international agricultural related courses in both Israel and the U.S.A., and management and marketing courses in the U.K. After seven years of international marketing experience in the oil & gas industry and almost two years of military service as an Officer in Nakhchivan Autonomous Republic, he pursued a career in agriculture and is presently the founding Managing Director of A AGRO Ltd.*



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# Vantage Point Baku: Ecology and Environment



**Suzie Cornell**  
Vice-President of Rotary International

As potentially the longest surviving expat in Baku, having arrived in 1992, perhaps I can lend some perspective to the issue of ecology and environment since then. In those days, survival was the key as we were actively engaged in combat, goods and services were virtually non-existent and most folks were living a hand-to-mouth post-Soviet existence. Nevertheless, we were very good at the 3 R's: Reduce, Reuse and Recycle as we had no choice.

**REDUCE:** This was a no-brainer, there wasn't anything to buy! Virtually no paper or plastic products, electronics, we stood in bread lines, needed ration coupons for meat and cheese which wasn't worth it, and the "clothes" for sale in the Central Department Store ("MUM") well, you're kidding.

**REUSE:** Here we were stars! Every precious glass jar or bottle was reused continually for putting up preserves and pickles or storing water as it only sometimes came out of the faucet. Newspapers had endless uses, to sit on, to carry fresh-baked bread in (it was hot just out of the ovens on the breadline), to wrap virtually anything from the bazaar. As there were no petrol stations, plastic jugs full of the precious stuff could be found on a street vendor just as your Lada was about to cough to a stop.

**RECYCLE:** There was no such material in 1992 that couldn't be recycled. Any piece of scrap iron, wood, cloth, cardboard, all was used, sadly, to build homes for refugees. There were streams of them all over the country due to the conflict. Even abandoned railway cars became homes.

The contrast for this American couldn't have been more extreme but I adjusted very quickly, learning how to balance 40 eggs on a wobbly cardboard "egg carton", how to keep my bathtub full of water -when it came - and how to strain that same water, after boiling, through a coffee filter to "purify" it before drinking.

The omnipresent plastic bag in USA was virtually non-existent in Baku in early days and when found, you paid for it. If you were fortunate enough to travel overseas, a Schipol Airport bag carried cachet on the metro and all riders would stare and try to guess the exotic contents. I nearly caused a riot at Central Bazaar when I brought Ziploc bags (mailed to me by Mom) to put my pickles in as they were doled out of giant barrels.

In fact, every plastic bag that I owned was carefully washed out and hung on the line. Which brings me to paper plates. No, of course, they didn't exist here, but I'd thoughtfully brought one precious package in my initial luggage. I invited a group of teenagers over for dinner, probably eggs and some pickled salad, and later came out to the kitchen to find that they'd washed them and hung them to dry.

We didn't waste electricity as it only came and went on a whim and it was just a dream to have air conditioning. I had a small electric fan that rattled and whirred like a 747 landing in my living room and generated more heat than cool. Basically, you were "damp" from May til September. And in the winter, you froze as the "central heating", forced hot water through pipes, rarely got through. We had loads of lambs' wool comforters and when you got out of bed in the morning, the steam from your own body heat would rise and warm the room.

There wasn't any traffic in those days, so no polluting the air with gas fumes. There were a handful of Ladas and Nivas, but no foreign cars at all. No official kind of taxi, you just thumbed a ride from an occasional car passing by. Some kind of trolley buses, trams, even right downtown, but they were always breaking down and, frankly, you could walk faster. Which is what we did or used the metro from the outskirts.

No, in those days we didn't consider that there would someday be National Parks, tree-planting projects, sanitation plants. Everything was gray, all parks and buildings dilapidated, roads to the regions extremely uncomfortable even if you could get the petrol. A trip to Quba would take half a day.

Fast forward to 2010. There's been an enormous engagement on the part of many entities to improve the environment and ecology which, all things considered, was the least of our problems 18 years ago. In this nascent country, I'm impressed by the improvements I see almost daily. It's easy to criticize when you come from a developed country with experience in managing the environment, but even the Western World only woke up to it in the last half century or so.

A vantage point from 1992 gives me the perspective to appreciate the remarkable development going on in Azerbaijan. I tell my friends I'm an "Ameri-janka" (half American/half Azerbaijani) having spent one third of my life here. I was here for the birth of this country, was present at the signing of the "Contract of the Century", was the "Voice of Azerbaijan" on radio for a few years and a regular columnist for "Azerbaijan International" magazine for 5 years. When viewed through my eyes, we're doing just fine as we grow up together. ■



## **PwC Introduces New Branding Initiative**

New brand simplifies name, emphasizes value creation and relationships

**Central & Eastern Europe – 2.1 September 2010** - *PricewaterhouseCoopers* has refreshed its branding in order to strengthen and modernize how it represents its worldwide network to its clients and the communities in which it operates. The emphasis on a new brand reflects PwC's desire for a more unified representation across its global network.

*“Our decision to make this change now is because over the last decade PwC has continued to grow and evolve and a concise consistent brand position makes it easier for people to appreciate who we are, what we do and how we operate across markets.”*

*PricewaterhouseCoopers* remains the full name of the global organization for legal purposes, and will be the name used by PwC firms to sign company audits. Creation of the new brand positioning was the work of PwC's Global Brand Team and its Network Leadership Team with assistance from the global brand consultancy Wolff Olins. PwC's global website, [www.pwc.com](http://www.pwc.com), has been redesigned to reflect the changes. Visual representations of the new logo accompany this press release.

### **About PwC**

PwC firms provide industry-focused assurance, tax and advisory services to enhance value for their clients. More than 163,000 people in 151 countries in firms across the PwC network share their thinking, experience and solutions to develop fresh perspectives and practical advice. See [www.pwc.com](http://www.pwc.com) for more information.

PwC is the brand under which member firms of *PricewaterhouseCoopers International Limited* (PwCIL) operate and provide services. Together, these firms form the PwC network. Each firm in the network is a separate legal entity and does not act as agent of PwCIL or any other member firm. PwCIL does not provide any services to clients. PwCIL is not responsible or liable for the acts or omissions of any of its member firms nor can it control the exercise of their professional judgment or bind them in any way.

### **PwC in Central & Eastern Europe**

PwC Central and Eastern Europe has achieved much since its creation more than ten years ago. As a firm, we have been active in some territories of CEE for nearly 20 years -our Hungarian office opened in 1989, in Russia in 1990, and Poland and Czechoslovakia (as it was then) in 1991. By the mid-1990's, we had offices in most of the major territories as we now know it. Today, more than 7,000 people in practices across 29 countries and 48 offices work together in Assurance, Advisory, and Tax and Legal Services. They are committed to delivering lasting solutions to client issues, providing insights into their business and helping them to capitalize on opportunities. We are the only Big Four firm to have a fully integrated network spanning Central and Eastern Europe and CIS countries. This helps us to provide a seamless service for our clients and means greater international exposure and mobility for our people.

### **PwC in Azerbaijan**

PwC Azerbaijan currently has over 120 staff serving an extensive list of national and international clients. *PricewaterhouseCoopers* enjoys an unrivalled presence in the region, with offices in Almaty and Astana (Kazakhstan), Tbilisi (Georgia), Bishkek (Kyrgyzstan), Tashkent (Uzbekistan), Ashgabat (Turkmenistan) and Ulaanbaatar (Mongolia). The client base has grown along with PwC and covers all sectors of the economy, including energy, financial services, consumer and industrial products, telecommunications and services.

# New Law on Personal Data: More Protection for Individuals



**Kamil Valiyev**  
**Naida Sadigova**  
Salans Baku

Following the ratification by the Republic of Azerbaijan on 30 September 2009 of the Convention for the Protection of Individuals with regard to the Automatic Processing of Personal Data of 1981, the Milli Majlis has now passed a new Law on Personal Data. The long-awaited law came into a force on 11 May 2010. The ratification of the Convention and approval of the new law represent an important step forward in developing a legal framework for the protection of the personal data and privacy of individuals. This Article gives a brief overview of the new Law on Personal Data and discusses some challenges it may bring for local businesses.

The Law on Personal Data (hereinafter the “Law”) regulates the collection, processing and protection of personal data, the formation of personal data information resources, the creation of information systems, and the transfer of personal data, including cross-border transfer. The Law does not apply to the collection, processing and protection of personal data for the purposes of national security, intelligence, criminal investigations by the state authorities, or for personal and family needs by individuals.

## Personal Data and its Classification

The new law defines personal data as any data enabling (one) to identify any person (the “Data Subject”) directly or indirectly. It categorizes personal data as confidential and public data. Public data is not subject to the confidentiality requirements of the law.

Public data is: (i) data that has been depersonalized; (ii) data that has been declared public by the Data Subject, or (iii) data that has been included in a data information system created for general use with the consent of the Data Subject. Any data other than those mentioned above should be considered as confidential.

*(i) Depersonalization of Personal Data*



The Law defines “depersonalisation of personal data” as the transformation of data into a state in which it will not be possible to determine the identity of the Data Subject. Unfortunately, the Law does not establish guidelines for the depersonalisation of personal data. In the absence of guidelines, we may assume that owner and/or user of personal data would independently determine the methods for depersonalisation and would independently identify the criteria to make it impossible to determine the identity of the Data Subject. Such independence of the owner or user of the data in determining the methods of depersonalization may have serious consequences if regulators or a court determined that the methods used for depersonalization were not sufficient to protect against the identification of the Data Subject.

*(ii) Public Declaration of the Personal Data*

Another shortcoming in the Law is that it neither specifies how personal data are to be declared public nor defines the databases that are to be deemed open for the public use. It must be noted that the Law places the burden to prove whether particular personal data are public or confidential upon the owner or user of the data.

As with the depersonalization of personal data, in the absence of relevant guidelines the owners and users of personal data must make a determination as to what is public according to their best judgment.

*(iii) Entering Personal Data into Information Systems*

The Law sets forth restrictions on entering publicly available personal data into information systems. Thus, Data Subjects must be notified whenever their personal data have been entered from publicly available sources into public information systems. The notification process allows the Data Subject, a court or a regulator to require the withdrawal of such information subject to a written request.

The name, surname and patronymic of the individual are considered to constitute public data. Data regarding race, nationality, family life, religious views and beliefs, health or criminal records are treated as a special category of personal data and their collection and processing are subject to specific rules and extra restrictions under the Law.

Data on finger prints, voice fragments and their acoustic parameters, facial descriptions, irises, DNA analyses, body sizes, signatures and handwriting, as well as other biometric data, are also protected by law as personal data.

## Collection and Processing of Personal Data

There are certain conditions which must be satisfied for the purposes of the collection and processing of personal data. The collection and processing of the personal data which are not public, is possible only if the written consent or consent in the form of an electronic document with an electronic signature of the Data Subject is secured, except where the collection and processing of such data is mandatory in accordance with the law.

Form now on businesses must pay special attention to securing this consent, and it is advisable to include consent clauses in agreements with individuals, whether they are employees or service providers or customers.

The Law has specific requirements as to the content of the consent form, specifying six mandatory elements, among which are the purpose of the data collection/processing, the period of effectiveness of the Data Subject's consent and terms of its withdrawal. Therefore, the consent of the data subject may have to be obtained for each separate instance of data collection and processing.

## Protection of Personal Data

The obligation to protect personal data lies with its owner and user. The Law requires the owner and/or user of personal data to ensure the protection of personal data through proper technical systems and organisation which, among other things, protects personal data from accidental and

unauthorised destruction, unlawful intervention, and alteration. This provision of the Law could mean that the owner and/or the user must actively monitor all operations with the personal data of concerned parties to ensure timely actions to protect personal data in case of unlawful action therewith. The implementation of active monitoring may be costly for the owner of personal data, whether acting in the capacity of an owner or user.

Moreover, the Law requires former employees to undertake the obligation not to disseminate any information that became known to them in course of fulfilling their job duties, which obligation should be reflected in clauses of employment or, where applicable, service contracts.

## Sharing and Transferring Personal Data

Personal data collected and processed in the public or corporate databases can be shared for certain payment with third parties, i.e. parties other than the Data Subject, the operator or the owner of the personal data. The procedures for personal data sharing are yet to be determined by the Cabinet of Ministers.

The Law also allows cross-border transfer of personal data except when such transfer jeopardizes the national security of the Azerbaijan Republic or the laws of that country does not provide the same level of protection provided by the legislation of the Azerbaijan Republic. The Law provides that the cross-border transfer of personal data may take place where (a) the Data Subject gives written consent to such transfer, or where (b) such transfer is required to protect the life or health of Data Subject.

The owners or the operators transferring the personal data are obliged to ensure their safety during the cross-border transfer.

## Licenses and Registrations

According to the new Law, the creation and development of information reserves and information systems of personal data and provision of services for the maintenance of these databases are licensable activities. The definition of information reserves of personal data is very general and in theory, may cover any array of documents placed in information banks, collections and databases.

Information systems, including those existing before the enactment of the new Law must be registered with the Ministry of Communications and Information Technologies, and entered into the state register of information systems. This requirement does not apply to personal data of employees of owner/operator, as well as information necessary for such

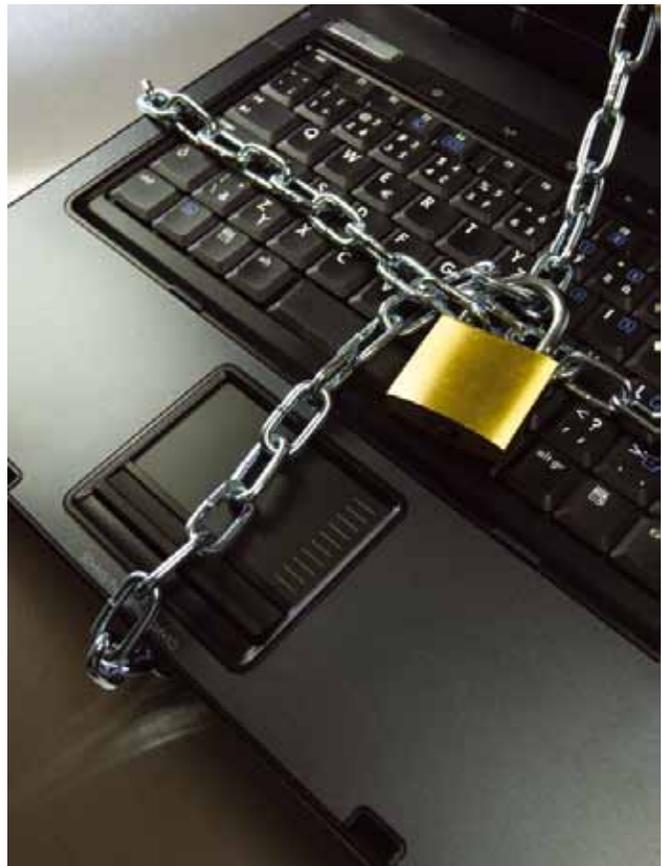
employees' access to their workplaces. Furthermore, the Cabinet of Ministers is authorized to determine the scope of circumstances when databases are free of this requirement, e.g., depending on purposes of data processing and number of Data Subjects.

Data collection and processing is a licensable activity, though we would view this to apply to companies that collect and process data as a main business activity, rather than to companies in which the collection and processing of data is incidental to their main business activities. It is our understanding that licensing will take place subject to satisfaction of personal data protection requirements which are yet to be determined. It is also our understanding that in order to avoid licensing requirement, businesses may choose to outsource processing and collection of personal data to qualified and licensed operators.

We should expect side rules and regulations on collection and processing of personal data to be approved by the Cabinet of Ministers in the coming months to clarify many uncertainties and issues arising from this Law. Given the law does not provide specific sanctions for the violation of the new Law, we can also expect some amendments to the Code of Administrative Violations and the Criminal Law determining such sanctions.

Our recommendations to owners and operators of personal data for their compliance with the new Law:

- To take extra care in determining methods and criteria for the depersonalisation of personal data that should follow the best practices used in the field. If possible, regulator should be consulted and relevant approvals obtained.
- To take extra care in determining criteria for considering personal data as confidential or public. The threshold rule should be to treat as public the personal data that has been unambiguously declared public by the Subject Data.
- To obligate the employees not to disseminate any information that becomes known to them in the course of fulfilling their job duties, and to reflect such obligation in surviving clauses of employment or, where applicable, service contracts.
- To actively monitor all of its operations with personal data to ensure timely actions to protect personal data in case of unlawful actions.
- To include clauses consenting to the collection and processing of personal data in agreements with individuals whether they are employees or service providers or customers. ■



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# Post Clearance Customs Audit: A Trade Facilitation Measure



**Irina Swift**  
Customs Advisor,  
USAID Trade and Investment Reform  
Support Program

The Government of Azerbaijan is developing a new Customs Code. Once implemented, the new code will provide both traders and Azerbaijan State Customs Committee with the necessary legal basis to put into practice modern customs procedures based on international standards.

The current Customs code was adopted in 1997. Since that date, there has been a tremendous increase in international trade and the trade environment in Azerbaijan has significantly changed. These overwhelming changes were not contemplated in the 1997 code. The Customs requires new legal authority to respond to these changes. The United States Agency for International Development's (USAID) Trade and Investment Reform Support Program ("the Program"), an initiative jointly funded by USAID and the Government of Azerbaijan, is assisting the implementation of key customs reforms.

Information technology has become the primary medium of exchange of trade data; consequently, reliance on paper documents is outdated and can impede the clearance and flow of goods. In today's markets, many traders are engaged in E-commerce and are replacing paper-based invoicing and contracting procedures with electronic processes. Often documents are only generated and printed for Customs purposes. Many countries have implemented total electronic processing of import and export declarations with paper documents presented on as-needed basis, while both paper and electronic documents are retained by the trader.

Reflecting these developments, the draft Customs Code contains many significant trade facilitation measures, including the authority for electronic processing, risk management, binding rulings, simplification of customs procedures for compliant traders, and Customs authority to review the books and records of traders after importation (known as "the post clearance audit process.")

Post clearance audit is a process that is a standard for Customs operations and is included in the standards for Customs Control in General Annex Chapter 6 of the Revised Kyoto



Convention (International Convention on the Simplification and Harmonization of Customs Procedures). This standard is accompanied by guidelines for developing and implementing the post clearance audit process as outlined below:

As used by Customs authorities, post clearance audits are financial examinations of the books and records of traders to reconcile their accounts with the information contained in customs declarations and with the goods themselves. Post clearance audits allow Customs authorities to check both importations and traders for compliance with the laws and regulations after release of the goods to the trader. Customs audits may be conducted on other international trade participants for similar reasons. One such reason is to reconcile the financial records of privately-owned customs warehouses with the inventory of goods stored there and the customs records of the goods in question.

## **Why is there an increased use of customs post clearance audits?**

The use and practice of post clearance audits by Customs authorities has grown considerably in recent years for several reasons:

- Emphasis on trade facilitation has led to increasingly rapid clearance times, the use of totally electronic declarations, and an increase in the number and volume of importations.
- The number of Customs officers has failed to increase with the increase in international trade because of public

budget constraints, economic circumstances, and trade facilitation measures. Post clearance audits allow a check of a trader's accounts and not just of individual importations or declarations: consequently, these audits are seen as a more efficient way of verifying compliance with customs laws than reliance on supervision and clearance of individual importations.

- Post audits assist in determining whether financial records can be reconciled with customs records. They are not criminal investigations of fraud or violation of financial laws although occasionally, criminal investigators may ask for assistance from auditors to audit the accounts of suspected violators and obtain information in connection with an investigation.

Customs officers who review declared value and classification information may express concern that auditors are checking on the quality of their work. This is not the intent of the audit. The nature of auditors' work gives them more time and opportunity to obtain and evaluate information than is normally available at the time of processing of the import declaration.

**What are the authorities for Customs to conduct a review of the books and records of the trader?**

## Legal Authority

The new Customs Code will provide the State Customs Committee with the same authority as Customs authorities in most nations to require traders and other participants in international trade to maintain books, records and accounts of their importations and exportations. Customs will be granted authority to specify, by regulations, the type of documents that must be kept and for what period of time. These new code articles will also give Customs the authority to require presentation to Customs of those books and records kept in accordance with generally accepted accounting principles for examination or allow Customs officers to examine them at the premises of the trader.

## Generally Accepted Accounting Principles

Generally Accepted Accounting Principles (GAAP) refers to the recognized consensus or substantial authoritative support within a country at a particular time as to (1) which economic resources and obligations should be recorded as assets and liabilities, (2) which changes in assets and liabilities should be recorded, (3) how the assets and liabilities and their changes should be measured, (4) what information should be disclosed, and (5) which financial statements should be prepared. The standards may be broad guidelines of general application as well as detailed practices and procedures. Each nation has its



own Principles, but they are similar to one another because (1) business practices between nations are very similar and (2) there is a body of International Accounting Standards which influences, although it does not dictate, the GAAP of individual nations.

The GAAP also provide standards and practices against which independent auditors can evaluate the maintenance of books and records, whether for investment, banking, tax, customs, or other purposes. Therefore, the GAAP serves as a basis for the conduct of such audits by Customs authorities.

**How is a trader selected for post clearance audit?**

The selection of a trader for audit is made locally or as part of a national strategy and it can be based on the risk assessment, data analysis, or for general compliance review.

**How does a trader know that he is to be audited and what preparation needs to be taken?**

Once a trader is selected and scheduled for audit, the audit team will gather information of the trader's business, goods, revenue involved, trade data from Customs records, and any other available information. When the data gathering is complete, Customs may create a questionnaire as a pre-audit survey to better focus the audit work. When the official notification of the scheduled audit is sent to the trader, indicating the dates of the audit, the period audited and what records are to be made available to the auditor, a questionnaire may be included with

a date indicated as to when it is to be returned to Customs. When the trader receives the notification and questionnaire, he should confirm the dates of the audit, start to assemble the records, and respond to the questionnaire.

### **What is the usual audit process?**

The audit generally begins with a meeting between the audit team and the trader's personnel. At such a meeting, the audit process will be discussed and the estimated duration of the audit stated. Once the audit begins, the information provided by the trader in his customs declarations is reviewed. This review would include the invoiced price; any added costs to that price such as freight, insurance, or assists such as materials or financial support provided by the buyer; as well as the quantity and or quality of goods imported or exported. Prices and costs are traced forward into payment and bank records to verify the amounts actually paid, and further into accounting records to verify that those amounts have actually been deducted from assets of the trader. They are also traced backwards through purchase records to see how the prices were determined and negotiated with sellers and obligated against the trader's assets as accounts payable.

Special attention is paid to any excess, "short-shipped" (not shipped), and damaged goods to verify that these exceptions from the declared quantities are also accurately recorded in inventory records and to determine whether these discrepancies occurred (1) before or after importation and (2) before or after receipt at the trader's premises.

If information disclosed during the audit indicates a need for further review, the audit objectives or scope may be expanded. All significant documents, audit work, and findings are recorded in audit working papers which are prepared according to professional audit standards. These working papers serve the basis for a written report of the audit. This process may include gathering data regarding corporate organization and structure, commodity information, methods of payment, value of commodities, costs associated with commodities, detailed product-cost information/submissions, related-party transactions, and record-keeping systems. Such information can be commercially sensitive and as with other information passed to Customs, will be treated as confidential.

### **How will the trader be informed about the results of the audit?**

Upon conclusion of audit work, the auditor should conduct a closeout interview in which the tentative audit findings are reported to the trader. The auditor will present a summary of the audit findings to the company officials. Where errors in relation to a trader's procedures have been discovered and documented they should be discussed at the end of exit meeting. The trader is given an opportunity to reconcile any accounts or information that the auditor could not reconcile or to provide any information rebutting the tentative findings of the auditor.

This information from the trader is considered in the final report of the audit. In most cases, agreement is reached once the



trader is satisfied that the auditor's conclusion is appropriate. If formal agreement is not reached the auditor will respect the trader's right to avail the statutory appeal procedure and facilitate the trader who wishes to appeal.

After conclusion of the audit work, the auditor prepares a written report which is reviewed by Customs audit management. If the audit reveals actual discrepancies in the value or quantity of goods, these findings are reported to Customs officials responsible for collecting or refunding duties and taxes as prescribed by the law. The final report of audit is issued to the trader under the signature or authority of Customs audit management rather than that of the auditor who conducted the actual audit.

### **What are the benefits of post clearance audit?**

Post clearance audit has become a priority program for Customs authorities throughout the world as a measure to identify trader levels of compliance and may be part of the methodology for certifying authorized economic operators. Once adopted this process is intended to provide benefits to both the trader and Customs. Traders who are found to be compliant in the keeping of their records may benefit from simplified procedures. Customs will benefit in the knowledge that a trader is complaint and there will no need to spend finite resources continuously checking on that trader, but instead focus on those traders where there may be greater possibility for error. ■

*Irina Swift is an international trade expert in customs valuation methods, automation, management and capacity building with extensive consulting experience in former Soviet countries, the Middle East and Eastern Europe. She has served as a senior manager at the U.S. Customs; during her service as Branch Chief at Customs headquarters, she was invited by the Soviet Customs Commissioner to inspect and evaluate early efforts to introduce automation and commercial procedures in customs operations across the Soviet Union.*



The American Chamber of Commerce in Azerbaijan is a private, non-profit business association supporting and promoting the interests of business in Azerbaijan.

Established in 1996, AmCham is composed of over 220 members and associates active in every sector of the Azerbaijani economy. We represent 80% of all foreign investment, as well as a significant portion of local investment which allows us to promote American, Azerbaijani and multinational corporations. This includes leading companies in Energy, Banking, ICT, Legislative/ Financial Consulting, Professional Services, Education, Real Estate Development, Health, Transportation, Travel and Production fields.

An active and positive influence in Azerbaijan, we conduct our mission with integrity and respect for the country, observing all local laws and insisting on the highest ethical standards in all relationships and transactions.

## Why join?

**Key member benefit – best networking opportunities in Azerbaijan!**

As a member of AmCham, your company has access to a vast network of business information and contacts in Azerbaijan and in the US government, as well as valuable information on US businesses across Europe through ECACC (European Council of American Chambers of Commerce) and US Chamber of Commerce.

### Additional Member Benefits include:

- Annual Employee Salary Survey
- Quarterly Inflation Survey
- AmCham Membership Directory
- AmCham Resource Library

For more detailed information please visit our website [www.amchamaz.org](http://www.amchamaz.org)

# About us



## Membership

There are two types of affiliation with AmCham: Member and Associate.

Member status includes voting privileges and eligibility for Board and committee chairmanships in addition to the privileges granted to Associates. For affiliation as a Member, a candidate must be a legal entity, registered and doing business in Azerbaijan and be in good standing in the community, as determined by the Board of Directors.

A legal entity, branch or representative office of a legal entity is eligible to be affiliated with AmCham as an Associate, subject to the Board of Directors' determination of good standing in the community.

Associates are eligible to participate in various activities; receive our regular publications, including the Membership Directory, Annual National Employee Salary Survey and Quarterly Inflation Survey. Associates, however, are not entitled to vote or serve on our Board of Directors.

## To apply

To apply for affiliation with AmCham, a candidate must submit a written application in the form adopted by the Board of Directors. Membership applications are available at the AmCham office or on our website at [www.amchamaz.org](http://www.amchamaz.org). The application form should be completed and sent to our office with the company registration certificate issued by the Ministry of Justice of Azerbaijan.

A candidate meeting the objective and subjective requirements for affiliation with AmCham is accepted as either a Member or Associate upon receiving an affirmative majority vote of the Board of Directors and paying the first year's fee for the candidate's category of affiliation.

To maintain affiliation with AmCham, Members and Associates must continue to meet our eligibility requirements, be in good standing in the community, and be current with all financial obligations to AmCham.

# AmCham gives Feedback on Investment Climate

## Ministry of Economic Development Investment Survey

AmCham participated in a business investment survey at the request of the Ministry of Economic Development as a representative of over 200 member companies, both local and foreign, operating in Azerbaijan. The aggregate opinion of the companies we represent were gathered and submitted to the Ministry for review.

One of the areas of concern was the host country's investment policies and the daily challenge doing business in Baku implicates. The top 3 concerns are as follows:

- The major obstacles to business remain the arbitrary administration of tax and legal regulations and the high cost of doing business in comparison to neighboring countries. Azerbaijan is becoming less competitive, which has a highly negative effect on both existing business and new investments.
- While the government regulation is generally high, it is the arbitrary administration of regulation which creates the greatest hindrance to investments.
- While most of our members are considering further investment in Azerbaijan, Georgia has become the destination of choice for an increasing number of companies due to its higher level of transparency in the business environment generally, better administration for the issuance of permits and licenses, more attractive tax and customs regimes, both in terms of rates and implementation. Turkey is attractive to large investors as they have a mechanism of communicating with the Government – the Investment Advisory Council chaired by Prime Minister, Recep Tayyip Erdogan, being the best example.

To further facilitate necessary changes, the following steps to improve the country's business environment were suggested:

- Significantly improve the administration for the issuance of licenses and permits.
- Bring employer social protection contributions in line with neighboring countries.
- Bring personal income tax rates in line with those of neighboring countries.
- Eliminate foreign employee social insurance contributions.
- Ease pre-clearance procedures for withheld taxes under

double taxation treaties: prevent burdensome demands on taxpayers seeking refunds.

- Enable businessmen to pay or credit VAT only when the funds to be taxed are actually received or paid, adapt the VAT refund submission process to conform to international best practices
- Bring fees associated with import-export and customs clearance in line with those of neighboring countries and develop a nationwide system of bonded warehouses.
- Cap the amount of wages subject to social insurance contributions, e.g., 2000 AZN per month.
- Bring labor regulations into harmony with those of neighboring countries (overtime limits, holidays, etc;).
- As in Ukraine and Georgia, implement visa-free regime for short term (<90 days) visitors holding passports from OECD countries.
- Significantly improve the quality of higher education, bringing the curriculum up to international standards and eliminate corruption in the educational institutions to insure the competitiveness of the country's workforce.

In summary, the Business Environment Evaluation results identified a few key points to be considered by the Ministry of Economic Development.

- In the view of our member companies, the overall business environment has deteriorated over the past three years.
- The development of the business environment depends primarily on the Government's commitment to efficiently eliminate current obstacles.
- Azerbaijan is an important strategic location for most of our member companies.
- Azerbaijan's single greatest strength is the opportunity presented in the oil and gas sector.
- Azerbaijan's greatest weaknesses are:
  - a. The arbitrary application of administrative and tax regulations.
  - b. The high cost of doing business.
  - c. The lack of regular dialogue between investors and the highest levels of Government. ■

# Business Events

## 17th International Oil&Gas Exhibition

1-4 June 2010

AMCHAM Azerbaijan and the United States Embassy in Baku participated in the "17th International Oil and Gas Exhibition" welcoming our members and friends at the US corner of the pavilion. Representing 220+ Member companies, the Chamber adheres to its policy of lobbying the interests of the private sector with the Government of Azerbaijan by providing various services to our members. As in previous years, our booth was designed with the sole intention of introducing and promoting the businesses of our Member base, positioning ourselves as the key voice of the private sector active in every single area of the country's economy. ■

## Breakfast with US Senior Government Officials

2 June 2010

AMCHAM Azerbaijan hosted a breakfast featuring senior US Government officials Jonathan Elkind, Department of Energy Principal Deputy Assistant Secretary and Ambassador Richard Morningstar, Department of State Special Envoy who were visiting Azerbaijan on the occasion of the 17th Annual Oil & Gas Conference. AmCham took the opportunity to give member companies involved in the hydrocarbon activities first hand information on President Obama's energy policy and how it has changed from the previous administration. ■



## Monthly Member Luncheons

4 June 2010

One of our special Guest Speaker this month was Ambassador Vagif Sadigov, Deputy Minister of Foreign Affairs of Azerbaijan. Ambassador Sadigov updated AmCham members on the particulars of the country's visa regime as well as the prospect of Azerbaijani-US trade and economic relations.

Mr. Sadigov began his diplomatic career in 1992 and started his position as Deputy Foreign minister of the Republic of Azerbaijan in 2004. Prior to this he also served as Azerbaijan's Permanent Representative to the Comprehensive Nuclear-Test-Ban Treaty

Organization (CNBTO) before becoming Azerbaijan's Permanent Representative to the International Atomic Energy Agency (IAEA). During his distinguished career Mr. Sadigov has served as Ambassador Extraordinary and Plenipotentiary to Austria as well as being Azerbaijan's Permanent Representative to the United Nations Office in Vienna. He holds a Phd in Philology. ■



24 June 2010

We were delighted to announce as our Special Guest Speaker an old friend, author, academic and adventurer Thomas Goltz. Mr. Goltz is currently an adjunct professor of Political Science at Montana State University, Bozeman, where he teaches courses on the Post-Soviet Caucasus and the Middle East. Most of you know Thomas through his 1998 book titled "Azerbaijan Diary," that has been hailed as 'essential reading for all post-Sovietologists.' Versions of his book have been published in French, German, Russian, Norwegian and Farsi, with publication in Azerbaijani anticipated in 2010. Mr Goltz shared his recent activities--academic and adventurous, and often both at the same time--with AmCham in the form of a short presentation about the creation of an exciting new summer study course for his students from Montana State University along the proposed Nabucco pipeline route from Baku to the Bulgarian frontier. ■

22 July 2010

Our Guest Speaker this month was Mr. Nick Rossiter, Regional Director Russia, CIS Symantec Corporation. Mr. Rossiter was born in Dublin, Ireland and has more than 35 years of experience in the ICT field. Mr. Rossiter worked for Hewlett Packard for 22 years including 5 years as Country Manager in Saudi Arabia and 10 years as Managing Director of Hewlett Packard, Russia. He was also with IBM and Chase Manhattan Bank.

Mr. Rossiter formed the American Business Club in Russia in the early 90's which became AmCham of Russia, where he served as a board member for the first three years.

As the Regional Director of Symantec since 2003, Mr. Rossiter updated our members about current trends in the use of IT, what drives our business today and what influence IT has on world commerce. ■

# Committee Highlights

## Tax & Customs Committee

The AMCHAM Tax and Customs committee had a fairly tough Agenda for the past quarter. Along with a number of interesting Guest Speakers, the committee specialists have submitted a letter including the amendments to the Social Security Law subject to further reference to the Ministry of Finances.

Within the framework of the committee's Best Practices session, we invited Mr. Stephen Stork from the Delegation of the European Union to the Republic of Azerbaijan, and Mr Anar Aliyev from the International Financial Corporation (IFC) who briefed our members on the international practice of regulating holding structures, its legal framework and practical implementation.

Another committee meeting with an outstanding turnover of attendees held in June featured Mr Alum Bati, Wicklow Corporate Services who kindly recommended "101 Does and Don'ts" of Tax Auditing. Also on the agenda was Mr. Zohrab Safarov who included "Cash Based Tax Accounting Method: Local Practices and Challenges" in his presentation.

Particular interest has raised in the committee meeting with the presence of Ms. Irina Swift, Customs and Trade Facilitation Advisor for Trade and Investment Reform Support Program (TIRSP) in Azerbaijan.

Ms. Swift is a customs and international trade expert with 26 years of experience in customs valuation methods, automation, and training in Armenia, Russia, Ukraine, Macedonia, Ecuador, Egypt, Jordan, Puerto Rico, and Uganda. Followed by an extended Q&A session, Ms. Swift's speech covered Electronic Processing, Security and Safety- Brief Import Declaration, Simplification of Customs Procedures, WTO Transparency, Rules of Origin, Post Clearance Audit and other useful topics. ■



## HR Committee

HR Committee meetings held during the past quarter featured a number of interesting Guest Speakers from a wide spectrum of the HR network. Following our members' positive feedback, we have once again invited Mr. Rizvan Kerimov, independent labor consultant, who kindly updated us on the new laws and regulations in labor legislation.

Most companies do experience staffing challenges starting with the lack of qualified employees. This is especially typical in the Oil and Gas industry, as well as Information and Telecommunication Technologies, Engineering and other areas requiring extended technical knowledge and awareness on latest trends and international practices. Unfortunately, due to the existing gaps in the local education system, an employer has to send their employees abroad for certain courses, trainings or even MBA programs. With this in mind, we invited Mr Fuad Aliyev, Deputy Chairman of the Azerbaijan Marketing Society, who delivered an interesting presentation on the CEU Business School Baku. The MINI MBA Program, which is a joint project of the CEU Business School and Azerbaijan Marketing Society (AMS) is a program focused on providing a high quality executive education for actual and potential managers. The aim is to update and enhance their knowledge on the most important business administration fields.

Another HR committee meeting featured APEX - The Art of Living Foundation - introducing their unique Leadership Development Program. This program transforms individuals into leaders based on this simple principle – an individual able to manage oneself is truly capable of leading an exemplary life and inspiring others on a sustainable basis. Inability to focus, negative emotions, lack of self-confidence, deep-rooted insecurity, unexplained anxieties, and lack of self-esteem are all factors that prevent one from living life to one's fullest potential. Overall, the scope of the past quarter's meetings covered a wide range of issues within the framework of the committee's general agenda including best practices on performance management, lessons learned, development/training practices, and presentations by committee members. ■

## HSE Committee

As it was published in the preceding issue of IMPACT, AMCHAM HSE Committee has successfully implemented a number of social projects in city schools in spring 2010. In line with the Annual Consolidation Plan, the next step in the implementation of a series of ecological projects initially laid out by committee members is the "Tree Planting Campaign" scheduled for October this year. Subject to official permission from a corresponding municipality, the potential venue for the action identified is Salyan Highway where most of the oil companies are located. A group of committee volunteers who expressed

their willingness to actively participate in the actual planting of the trees has already formed a working group to ensure better productivity and timely implementation of the project.

Continuing AMCHAM's constant dialogue with the government, the committee is planning to cooperate with the relevant authorities with the focus of improving the existing legislation in accordance with international practice and latest trends. A separate sub-committee will be formed to work on this particular project. In its' initial stage, a group of qualified specialists will draft a list of changes and amendments that committee members want to see in the legislation to further proceed with this guideline and establish contacts with relevant government bodies accordingly. ■

## Travel, Hospitality & Tourism Committee

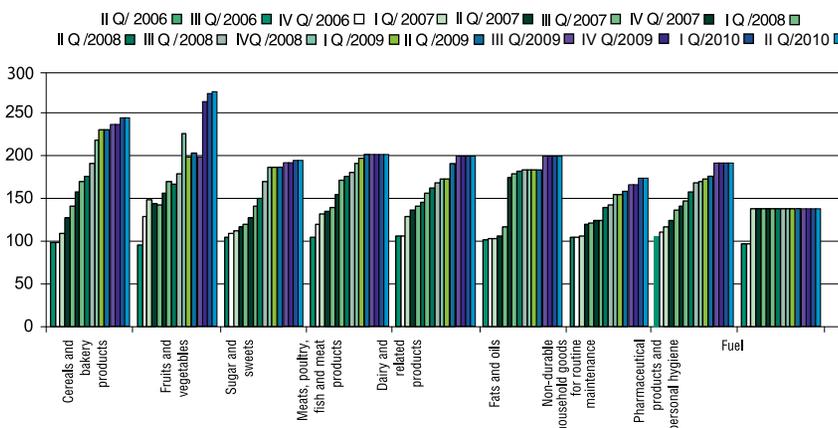
AMCHAM's first tourism committee meeting this year was held in June. According to the policy of the chamber, the committee structure changes once every two years based on the rotation principle. We would like to once again thank Mr. Groeger for his work and input as Chairman of The AMCHAM Hospitality, Travel and Tourism Committee for these past 2 years and welcome Ms. Sada Isayeva on board! The last meeting heard discussion of the committee plans from the new Chairman's perspective as well as members' opinions on how the committee can contribute to promoting Azerbaijan as a tourism destination. Among other issues, facilitation of visa procedures and queuing at Heydar Aliyev Airport were identified as hampering the development of tourism. Taking into account staffing challenges observed in hospitality businesses, it was decided to cooperate with the Tourism Institute as one of the first priorities of the committee's new consolidation plan. ■

# Projects

## Inflation Survey – Consumer Price Index

July 2010

Breakdown of AAIP changes (the base is 100 at 31 March 2006)



The figures for the second quarter of 2010 remain impressive: in Q2 the AAIP rose only 0.11% for Azerbaijani consumers and 0.19% for Expatriate consumers. The largest upward effect on the AAIP rate came from Fruits & Vegetables where Index of Prices rose by 1.04%.

Over the last year (the base is 100 at 30 June 2009) the AAIP rose by 4.60% for Azerbaijani consumers and 5.23% for Expatriate consumers.

As always we hope our members find this report informative and useful! ■

## Banking, Finance & Insurance Committee

Following increased interest of the AML law and its meaning, we have invited key management of the Financial Monitoring Center to one of our committee meetings. The FMS management appreciates the contact with the private sector representatives introduced by AMCHAM and expressed their readiness to meet with BFI Committee members to hear the problems firsthand, discuss difficult issues, and try to resolve them on the spot without a need to amend the law. ■



## ICT Committee

Following two successful years as Committee Chairman, we would like to express our deepest gratitude to Mr. Igor Yakovenko, the President of Azerbaijan Electronics, for his valuable time and efforts spent on committee work, and welcome Mr. Farid Ismayilzadeh on board as a new Chairman! ■

# Members' News and Events

## Adam Sterling, Chargè d'Affaires, U.S. Embassy, Baku



Adam Sterling began his assignment as the Deputy Chief of Mission at the U.S. embassy in Baku, Azerbaijan on July 1, 2010. He will serve as Charge d'Affaires until the arrival of the next U.S. ambassador to Azerbaijan.

A career member of the State Department Foreign Service, Mr. Sterling served most recently on

loan to the White House as the Director for Central and Eastern European Affairs on the National Security Council staff (2006-09). He also served in Washington as Special Assistant to the Assistant Secretary of State for Europe (2005-06) and as desk officer in the Office of Central Asian Affairs (1995-97).

His overseas assignments have included tours as a political

officer in the U.S. embassies in Israel (2001-05) and Kazakhstan (1998-2001). He also served in political, consular and administrative assignments at the U.S. embassies in Belgium (1993-95) and Peru (1991-93).

Prior to joining the Foreign Service in 1990, Mr. Sterling worked in the liaison office of the Mayor of New York to the United Nations and consular corps. He earned a Master of Public Policy degree from the John F. Kennedy School of Government at Harvard University and a Bachelors degree from Grinnell College in Iowa. He speaks French, Spanish, Azerbaijani and Russian.

Mr. Sterling is a native of New York City and Lawrence, Kansas. He is married to Veerle Coignez, a native of Belgium and an international development consultant specializing in public health. They have a 12-year-old daughter, Elka, and 9-year-old son, Bram. ■

## Alcatel-Lucent appoints a new Country Manager for Alcatel-Lucent Azerbaijan



Istanbul, August 5, 2010 - Alcatel-Lucent (Euronext Paris and NYSE: ALU) today announced that Levent Ozbilgin, a renowned personality in the Turkish IT industry, has been appointed as Country Manager of Alcatel-Lucent Azerbaijan.

Ozbilgin joins Alcatel-Lucent from Atos Origin where he served as Account Operations Director, in charge of

Vodafone Turkey. Prior to Atos Origin, Ozbilgin was Deputy General Manager, in charge of Global Product Development and

Customer Services, at Telenity where he joined in 2004. Before that, he worked as consultant to ECtel on Fraud Management and Legal Proceedings and acted as a Product Manager in the fields of Fraud Management and Revenue Assurance at SOTAS (Subex) where he had worked for 5 years.

Levent Ozbilgin has received his bachelor's degree in management engineering from Istanbul Technical University and holds an MBA degree from George Washington University. ■

Alcatel-Lucent



## Hyatt Hotels Earth Hour

Hyatt Hotels Baku was one of only two companies in Baku to participate in Earth Hour on 27 March 2010 when most lights were switched off or dimmed at 8:40pm for a minimum of one hour. Globally, Earth Hour 2010 was the largest global climate change initiative with 128 countries and territories joining this worldwide display. Iconic buildings and landmarks from Asia Pacific to Europe, and Africa to the Americas together with peoples from all walks of life switched off their lights in celebration and contemplation of the one thing we all have in common – our planet. ■

# Corporate Social Responsibility

## The 1st Renewable Energy Caucasus Forum



The 1st Renewable Energy Caucasus Forum took place under the official patronage of the Delegation of the European Union to Azerbaijan on September 7, 2010 at The Landmark Hotel in Baku. The Forum was opened by Ambassador Roland Kobia, the Head of the European Union Delegation.

The Forum's continuing aims are:

(1) the further development and transfer of clean energy technologies, together with the acceleration of environmental

business growth and supply base in the Caucasus Region; and (2) to attract the Caucasus Region's oil and gas companies, banks, and investment institutions to further their successful investments in the renewable energy industry sector as well as to address timely restructuring in regards to climate change.

The European Commission supports the aims of the Forum.

The Forum was initiated and organized by the Academy for European Management GmbH, Germany and the EVRA International, Inc. Mrs Elen Meder, the CEO of the Academy for European Management GmbH, Germany and the President of EVRA International, Inc., facilitated the Forum.

Pasha Bank supported the Forum by becoming the sole sponsor of the event, with informational partnership being provided thru the American Chamber of Commerce, Azerbaijan.

The Forum featured presentations by members of: The State Oil Company of the Azerbaijan Republic (SOCAR), AzerEnerji, RWE Power AG, BASF, Baker & McKenzie - CIS, Limited, KfW Bankgroup, and the International Finance Corporation (a member of the World Bank Group).

Official guests in attendance included the Azerbaijan Ministry of Ecology and Natural Resources and representatives of the respective embassies to Azerbaijan from Greece, the United States of America, Norway, the United Kingdom, the Republic of Poland, and the Republic of Latvia..

Participants: Caucasus & International Governmental Organisations, Representatives of the EU, from the fields of Oil, Gas, Petrochemical and Renewable Industry, Banking.

The Renewable Energy Caucasus Forum will become an annual event in the Caucasus Region.

The 1st Renewable Energy Caucasus Forum included panels on Azerbaijan's current regulation of alternative energy, suggested legislative steps necessary to support and incentivize renewable energy investment, the financing of renewable energy projects in the region, including renewable energy projects into the Azerbaijan energy grid, and engaging private corporations to increase energy efficiency and expand their renewable energy portfolio.

In a concluding Round Table with the leading Azerbaijani and international companies—SOCAR, Azerenerji, Azercell, the Azerbaijan Ministry of Ecology and Natural Resources, IFC, KfW, BASF, RWE, Bosch, GDF SUEZ—held by the official organizers of the Forum, the Agenda Concept for the Forum's 2011 meeting was discussed and agreed upon. The preparations for the 2nd Renewable Energy Caucasus Forum are now underway.

For more information, please visit the Forum website at <http://caucasus.is-abc.com>. ■

# INTERNATIONAL EXHIBITIONS AND CONFERENCES IN AZERBAIJAN AND GEORGIA

## 2010

## 2011



3<sup>rd</sup> Regional  
**WEST AZERBAIJAN  
INFRASTRUCTURE EXHIBITION**  
20-22 SEPTEMBER  
[www.regions.iteca.az](http://www.regions.iteca.az)



3<sup>rd</sup> Azerbaijan Regional  
**CONSTRUCTION EXHIBITION**  
20-22 SEPTEMBER  
[www.westazbuild.az](http://www.westazbuild.az)



16<sup>th</sup> Azerbaijan International  
**HEALTHCARE EXHIBITION**  
22-24 SEPTEMBER  
[www.bihe.az](http://www.bihe.az)



5<sup>th</sup> Anniversary Azerbaijan International  
**STOMATOLOGY EXHIBITION**  
22-24 SEPTEMBER  
[www.stomatology.az](http://www.stomatology.az)



4<sup>th</sup> Azerbaijan International  
**BEAUTY AND AESTHETIC MEDICINE EXHIBITION**  
22-24 SEPTEMBER  
[www.beauty.iteca.az](http://www.beauty.iteca.az)



4<sup>th</sup> Azerbaijan International  
**EDUCATION AND CAREER EXHIBITION**  
7-9 OCTOBER  
[www.education.iteca.az](http://www.education.iteca.az)



16<sup>th</sup> Azerbaijan International  
**CONSTRUCTION EXHIBITION**  
20-23 OCTOBER  
[www.bakubuild.az](http://www.bakubuild.az)



2<sup>nd</sup> International  
**EXHIBITION FOR HEATING, VENTILATION,  
AIR-CONDITIONING, WATER SUPPLY, SANITARY,  
ENVIRONMENTAL TECHNOLOGY AND SWIMMING POOL**  
20-23 OCTOBER  
[www.aquatherm-baku.com](http://www.aquatherm-baku.com)



8<sup>th</sup> Caspian International  
**FURNITURE, INTERIORS AND DESIGN EXHIBITION**  
20-23 OCTOBER  
[www.caspianmebelexpo.az](http://www.caspianmebelexpo.az)



Caspian International  
**REAL ESTATE EXHIBITION**  
20-23 OCTOBER  
[www.azrealty.iteca.az](http://www.azrealty.iteca.az)



16<sup>th</sup> Azerbaijan International  
**TELECOMMUNICATIONS AND INFORMATION  
TECHNOLOGIES EXHIBITION AND CONFERENCE**  
23-26 NOVEMBER  
[www.bakutel.az](http://www.bakutel.az)



3<sup>rd</sup> Caspian International  
**PROTECTION, SECURITY AND RESCUE EXHIBITION**  
24-26 NOVEMBER  
[www.cips.az](http://www.cips.az)



7<sup>th</sup> Azerbaijan International  
**AUTOMOTIVE EXHIBITION**  
16-19 MARCH  
[www.autoshow.az](http://www.autoshow.az)



4<sup>th</sup> Azerbaijan International  
**SPARE PARTS, ACCESSORIES AND  
SERVICE EQUIPMENT EXHIBITION**  
16-19 MARCH  
[www.autoparts.iteca.az](http://www.autoparts.iteca.az)



10<sup>th</sup> Anniversary Georgian International  
**OIL, GAS, ENERGY AND INFRASTRUCTURE  
CONFERENCE**  
29-30 MARCH  
[www.giogie.com](http://www.giogie.com)



Banking & Finance  
CASPIAN CONFERENCE

7<sup>th</sup> Caspian International  
**BANKING & FINANCE CONFERENCE AND SHOWCASE**  
13-14 MAY  
[www.caspianbanking.com](http://www.caspianbanking.com)



10<sup>th</sup> Anniversary Azerbaijan International  
**TRAVEL AND TOURISM FAIR**  
28-30 APRIL  
[www.aitf.az](http://www.aitf.az)



17<sup>th</sup> Azerbaijan International  
**FOOD INDUSTRY EXHIBITION**  
25-27 MAY  
[www.worldfood.az](http://www.worldfood.az)



1<sup>st</sup> Caspian International  
**RAW MATERIALS, EQUIPMENT, PLASTIC  
AND RUBBER PRODUCTION AND PROCESSING  
TECHNOLOGIES EXHIBITION**  
25-27 MAY  
[www.plastex.az](http://www.plastex.az)



5<sup>th</sup> Anniversary Caucasus International  
**HOSPITALITY FAIR**  
25-27 MAY  
[www.horex.az](http://www.horex.az)



10<sup>th</sup> Anniversary International  
**TRANSPORT, TRANSIT AND LOGISTICS EXHIBITION**  
MAY  
[www.transcaspian.az](http://www.transcaspian.az)



18<sup>th</sup> International  
**CASPIAN OIL AND GAS EXHIBITION  
INCORPORATING REFINING AND  
PETROCHEMICALS**  
7-10 JUNE  
[www.caspianoilgas.az](http://www.caspianoilgas.az)



18<sup>th</sup> International  
**CASPIAN OIL AND GAS CONFERENCE  
INCORPORATING REFINING AND  
PETROCHEMICALS**  
8-9 JUNE  
[www.oilgasconference.az](http://www.oilgasconference.az)

ORGANISERS



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[www.caspianworld.com](http://www.caspianworld.com)



# Corporate Social Responsibility

## Save the Children: “Creating Livelihoods for Adulthood Program”



### Save the Children

We hope that a relatively quiet summer period is a good time for each of us to think about corporate social responsibility and the contribution each of us could make to improve the lives of the most vulnerable part of society, specifically our children. Through social contribution, AMCHAM Azerbaijan always tries to support activities aimed to provide assistance to our partner organizations and their generous work. We do believe that along with the financial support that we as AMCHAM provide on a constant basis, there is always a niche each of our members can contribute to.

In the light of above, it is our pleasure to support a very exciting project initiated by Save the Children, a non-governmental organization with the sole purpose of strengthening the capacity of local civil society organizations and the programmatic capacity of selected NGOs. It is their primary focus to sustain links between them and government supported services to serve the needs of marginalized youth. Save the Children, in partnership with Reliable Future Youth Organization and with the support of the European Union and Statoil, launched this "Creating Livelihoods for Adulthood Program" in November 2009. The program aimed to reduce poverty through enabling full, productive and equal employment and increasing work opportunities for marginalized young people in Azerbaijan.

In addition, AMCHAM Azerbaijan provided logistical support to Save the Children in conducting a survey among local businesses aimed to identify qualities looked for by employers. ■

## AmCham & Save the Children's First Project

A record amount - about 4000 AZN - was raised from the sale of raffle tickets and auction items at our 4th of July picnic this year! We are happy to announce that all proceeds go to "Save the Children" – a non-profit organization initially selected as a charity partner of the event to support the most vulnerable layers of society. Further detailed information on project implementation will be available in the next issue of IMPACT. ■

## Junior Achievement Azerbaijan: “School Economics Education Program”

The proceeds from the auction at The AMCHAM 6th Annual Black & White Ball will go to the Junior Achievements School Economics Education Program. Using its experience in delivering up-to-date economics and business programs, Junior Achievement Azerbaijan proposes interested companies a partnership within the School Economics Education Program (SEE) for 2010-2013. The total requested budget is \$575,851, or \$191,950 annually. The program's target audience will include secondary school students in grades 9-11, college students, and educators. The SEE program brings theoretical and practical knowledge of basic economic and business components to secondary school and college students, and fosters work-readiness, financial literacy and entrepreneurship skills. The program assists development of the business workforce through focused education. ■

## “Tree Planting Campaign”



**EKOL**

Within the guidelines of the HSE Committee's Annual Consolidation Plan focused on Ecology, a group of committee volunteers is planning to conduct a Tree Planting Campaign in October 2010. Salyan Highway, where most of the oil companies are located and SOS Children Villages have been identified as potentially favorable venues for the project. Committee members representing McDermott, EKOL Ecological Services, Indian Clinic, Cross Caspian, Salans and many others were among those who will participate in the project. ■

# 15th Annual AmCham Independence Day Picnic



Incredible success was realized when over 700 guests turned out to celebrate as AMCHAM held its 15th Annual Independence Day Picnic on 3 July 2010. The brand new venue right in the centre of town, kindly offered by Shafa Stadium and the International Bank of Azerbaijan, created the atmosphere of a classic American Picnic with its green grass and lots and lots of sun! The AMCHAM team and event organizers succeeded once again in providing yet another unforgettable day for our members, their families and employees. Traditionally, being relevant to global highlights we

broadcasted the World Cup Quarter Finals for our diehard football fans as promised! Along with the classic American BBQ, the exclusive event featured a day of entertaining games for kids and adults alike, followed by a talent show and raffle including two Economy and Business Class roundtrip tickets to London provided by BMI.

And last, but certainly not least, AMCHAM is delighted to once again thank our generous sponsors who made this great day possible! ■





# (M2M) Discount Program



## HYATT HOTELS BAKU

15% off in all restaurants and bars. 15% off on all laundry and dry cleaning services



## ATA HOLDING

Up to 15% on all types of insurance



## AZEL

Up to 10% on all products

## LUFTHANSA

Up to 7% for tickets (access to the business class lounge in H.Aliyev Airport included)



## SEABAK

Up to 10% for onsite helpdesk support  
Up to 15% for remote administration



## WICKLOW CORPORATE SERVICES

5% discounts on hourly fee rates

## EXCELSIOR

15% on Duke and Heritage rooms  
15% for rentals of conference rooms; 10% on all catering contracted with rentals; 10% on F&B in Belvedere Restaurant; 20% on one year membership in Aura Spa



## ALTES GROUP

5% for all Altes Group apartments portfolio



## CRESCENT BEACH HOTEL

10% for Accommodation; 10% Food & Beverage; 15% discount on accommodation & all F&B



## 3M

10% on following 3M products: Visuals (Digital and Rear Projection Film); Construction; Stationary (Post It, Scotch)



## PHILOSOPHY TRAVEL

5% on any travel arrangements



## PARK INN

10% in all F&B Outlets.



## RADISSON

10% on all Published Retail Room Rates



## OFFICE SYSTEMS

10% on all office chairs  
15% on office furniture (excluding metal)



## MOZAIK LLC

10% on all our products



## GARANT SIGORTA

Up to 20% on various types of insurance



## BAKER & PARTNERS

Up to 25% on various services



## INDIAN CLINIC

Up to 15% on medical services



## AG BANK

50% on AG Club Premium Package; 20% on AG Club Gold HEI Package



## CITIMART

5% discount on all the groceries and entire purchase

### How to join the Program:

Members willing to join the Program and offer their products/services at special discount to AmCham Regular Members have to inform the AmCham office in writing. A discount provider has to indicate the product(s) or service(s) and discount rate(s).

### How to obtain discounts:

All Regular Members, no matter whether they provide discounts as part of the Program or not, can obtain discounts. Members can find information about the discounts in the M2M Section of our website [www.amchamaz.org](http://www.amchamaz.org)

### How is M2M advertised?

The program will only be advertised internally through the AmCham communications channels: AmCham Website and AmCham Quarterly Magazine – "IMPACT Azerbaijan".

**Note:** The cards are for personal use only. A card holder is committed to return the card to AmCham in case he/she leaves a Member establishment.



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