

The Second Ministerial Meeting of the Southern Gas Corridor Advisory Council

JOINT DECLARATION

BAKU, 29 FEBRUARY 2016

We, the participants of the Second Ministerial Meeting of the Southern Gas Corridor Advisory Council, held in Baku on the 29th of February 2016,

Reaffirming our strategic partnership, based on shared goals, benefit of joint cooperation and mutual respect of interests;

Recognizing the importance of bringing about the transition to the low-carbon, secure and competitive economy and an integrated continent-wide energy system in Europe in accordance with a Framework Strategy for a Resilient Energy Union with a Forward-Looking Climate Change Policy;

Emphasizing the importance of diversifying energy sources, of suppliers' security and of the security of energy transportation routes;

Acknowledging that the European Union has identified the Southern Gas Corridor route as a strategic project to get access to alternative suppliers;

Noting the recent successful completion of a number of scheduled milestones in the implementation of the Southern Gas Corridor;

Reaffirming the importance of political support to the implementation of the Southern Gas Corridor and recalling the European Union and its member states decision to support a more coherent EU foreign and energy policy action and the intention for enhanced use of foreign policy instruments;

Recognizing the strategic role of the Republic of Azerbaijan as a key enabler of the Southern Gas Corridor in close partnership with European countries in the efforts to give energy consumers in Europe secure, sustainable, competitive and affordable energy;

Emphasizing the significance of the Intergovernmental Agreement between the Government of the Republic of Azerbaijan and the Government of the Republic of Turkey concerning the Trans Anatolian Natural Gas Pipeline System signed on 26 June 2012 and appreciating the key role of the Republic of Turkey in the ongoing successful implementation of the Trans Anatolian Natural Gas Pipeline Project;

Appreciating the special role of the Republic of Turkey and Georgia in assuring successful functioning of the energy projects and transportation corridor from the Caspian to Europe on their territories;

Noting the Inter-Governmental Agreement between the Italian Republic, the Hellenic Republic and the Republic of Albania concerning the Trans Adriatic Gas Pipeline System, executed on 13 February 2013;

Appreciating the key role of the Hellenic Republic, the Republic of Albania and the Italian Republic in the ongoing successful implementation of the Trans Adriatic Pipeline Project;

Looking forward to the official start of the Trans Adriatic Pipeline construction phase marked by the ground-breaking ceremony scheduled for May 2016 in Thessaloniki.

Welcoming the Final Investment Decision (FID) in relation to constructing the IGB Pipeline (Gas Interconnector Greece-Bulgaria) taken on 10 December 2015 by the ICGB AD Shareholders.

Welcoming the initiative of Turkey and Bulgaria to develop the Interconnector Turkey-Bulgaria project.

Recognizing the continuing support of the United States of America to promoting the transportation corridor from the Caspian to Europe, the Southern Gas Corridor and to overall security in the Caspian region;

Welcoming the participation of delegations of the Republic of Croatia and Montenegro in the meeting as observers;

Welcoming the inclusion of SCP, TANAP and TAP projects into the EU Projects of Common Interest list for 2015, which could make funding under the Connecting Europe Facility (CEF) program possible;

Hereby declare the following:

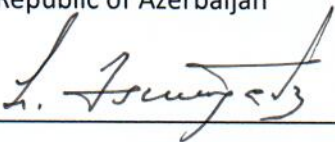
1. We are determined to continue and deepen the long term strategic relationship among the stakeholder countries to the Southern Gas Corridor and between transporters, suppliers, and consumers of energy resources, particularly in securing reliable and sustainable supply of energy from Azerbaijan to Georgia, Turkey and European markets;
2. We welcome the substantial progress achieved in the implementation of the Southern Gas Corridor since the First Ministerial meeting held in Baku on 12 February 2015 and underline that successful and timely implementation of the Southern Gas Corridor will serve the above mentioned strategic consideration;
3. We appreciate committed readiness of the relevant countries to finalize the approval of all necessary regulatory and legal prerequisites, as well as of all procedures related to permitting and authorizations required for the project activities progress within the framework of the Southern Gas Corridor;
4. We will promote the expansion of the Southern Gas Corridor to further markets, including outside the borders of the European Union, such as Energy Community countries in the Balkans, through assessing technical and commercial opportunities to cooperate with existing and planned infrastructure owners including within the framework of CESEC. Interconnector Greece – Bulgaria and

Ionian Adriatic Pipeline and Interconnector Turkey-Bulgaria projects present particular interest in this regard;

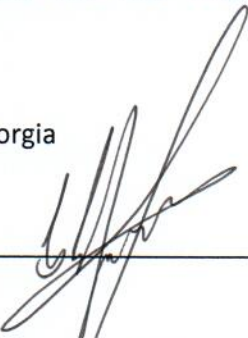
5. We support further efforts to increase our cooperation and the efficiency of mechanisms to engage national and European financial institutions to enable access to affordable financing for projects within the framework of the Southern Gas Corridor, notably creating transparent, predictable and stable regulatory conditions;
6. We promote where appropriate best use of the Energy Union Framework Strategy for the development of strategic energy partnership in the region and beyond in order to address the implementation issues of the Southern Gas Corridor with the continuous support of the European Commission;
7. We reiterate our firm intention to continue developing bilateral and multilateral working level consultations format, open to possible future participants in the Southern Gas Corridor in their capacities as suppliers and/or transit countries, to address in the most practical and timely way relevant matters of legal, regulatory, safety and security concern, which may emerge during the realization of future expansion of the Southern Gas Corridor;
8. We welcome additional potential suppliers to Europe and other countries to utilize the Southern Gas Corridor to further diversify natural gas supplies to Europe and to other countries.
9. We consider intensifying efforts directed at exploring options to market additional gas volumes at competitive terms and conditions in order to maximize the use of the projected capacity of the Southern Gas Corridor;

This Joint Declaration was endorsed by representatives of the Republic of Azerbaijan, the Republic of Albania, the Republic of Bulgaria, Georgia, the Hellenic Republic, the Italian Republic, the Republic of Turkey, and the Republic of Croatia, Montenegro, the United Kingdom, the United States of America, and the Vice President of the European Commission.


The Republic of Azerbaijan



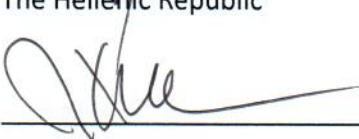
Georgia



The Republic of Turkey



The Hellenic Republic



The Republic of Albania



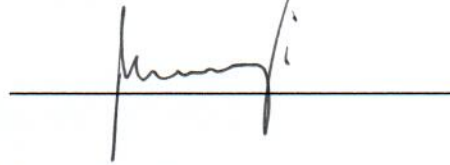
The Italian Republic



The Republic of Bulgaria



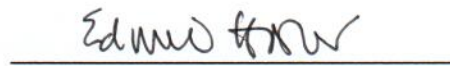
The Republic of Croatia



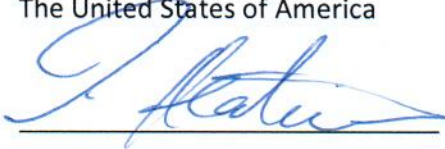
Montenegro



The United Kingdom



The United States of America



European Union

