

Managing Director for Energy at the European Bank for Reconstruction and Development, Riccardo Puliti said that a meeting will be held on 26 October regarding the 1.5 billion dollars loan the bank plans to invest in Trans-Anatolian Pipeline and Trans-Adriatic Pipeline projects.

Puliti explained that the EBRD supported the Southern Gas Corridor from the beginning and provided loans to improve the Shah-Deniz II gas field and the South Caucasus gas pipeline, adding that the bank is currently in the evaluation stage for financing of the TANAP and TAP projects. However, the final decision has not been made yet, nor it is known how the amount of 1.5 billion dollars will be divided among the two projects.

Puliti said that the Extractive Industries Transparency Initiative, which includes Azerbaijan as a member country, will hold an executive board meeting in Astana, Kazakhstan on 26 October, on which will be discussed whether Azerbaijan has shown any developments in terms of measures taken regarding corruption, transparency and other important issues.

EBRD is waiting for the confirmation from EITI that Azerbaijan has made progress regarding these issues before making a decision on financing TANAP and TAP projects. TAP project envisages 870 km long pipeline that will connect to the Trans-Anatolian near the Turkish-Greek border and cross Greece, Albania and Adriatic Sea before reaching its final destination in Italy. Current shareholders of TAP AG are British Petroleum, Azeri state-owned SOCAR, Italian Snam, Belgian Fluxys, Spanish Enagas and Swiss Axpo with 5 % of the shares. The initial capacity of the pipeline is 10 billion cubic meters of gas per year, with an option to expand the capacity to 20 billion cubic meters. The cost of the project is estimated at some 6 billion euros. The construction of the Greek section of pipeline was launched on 17 May.

TANAP project envisages the construction of pipeline that will transport natural gas from Azeri Shah Deniz field from Turkish-Georgian border to the western borders of Turkey. TANAP will be a part of the Southern Natural Gas Corridor, as it will connect with the South Caucasian Pipeline and the Trans-Adriatic Pipeline. Initial capacity of the pipeline is 16 billion cubic meters of gas per year, of which some 6 billion will be consumed in Turkey and the rest on the European market. Inflow of first cubic meters of gas to Turkey is expected in 2018, while the construction of the complete pipeline is estimated to beginning of 2020. By 2023, the capacity of the pipeline will increase to 23 billion cubic meters per year, while its full capacity of 31 billion cubic meters of gas per year will be reached in 2026. Current shareholders in the TANAP project are Azeri state-owned gas company SOCAR with 58 % of shares, Turkish BOTAS has 30 %, while British Petroleum holds 12 % stake.