

CASPIAN OIL & GAS EXHIBITION AND CONFERENCE - 20 YEARS OF SUCCESS

The tradition for organisation of specialized exhibitions in Azerbaijan has been laid by the pathbreaking Caspian Oil & Gas Exhibition and Conference opened for the first time by Nationwide Leader of Azerbaijan Heydar Aliyev. Since then the exhibition has continued its growth and development along with the economy of Azerbaijan. Each large world-class event in the oil and gas sector was reflected in the international exhibition Caspian Oil & Gas organised in Baku every year. This year the exhibition and conference is celebrating its 20-year anniversary. The year of 2013 is a jubilee and significant because this year we mark the 90th anniversary of Nationwide Leader of Azerbaijan and 10 years of Ilham Aliyev's presidency. This year will also come down in history as the year when the choice of an export artery for delivery of Azeri gas to international markets was made. Key events in the oil and gas life of the country are always among topics for discussions at the Caspian Oil & Gas Exhibition and Conference organised by ITE Group plc and its partner Iteca Caspian LLC. ITE Group plc CEO Edward Strachan and Iteca Caspian LLC Director Farid Mammadov spoke about development of the international Caspian Oil & Gas Exhibition and Conference in the interview for Caspian Energy.



Caspian Energy (CE): *This year the largest event in the energy sector of the Caspian region – Caspian Oil & Gas Exhibition and Conference – is celebrating its 20th anniversary. Nowadays Caspian Oil&Gas is considered as the most important factor of that information background concerning the Azerbaijan energy industry. Moreover, in many respects the exhibition is forming this background. But it was very difficult to foresee such effect twenty years ago. Nevertheless, the idea to organise the exhibition arose in the company. Could you, please, recollect how it happened, how did the idea of Caspian Oil&Gas appear at first?*

Edward Strachan: The first international Caspian Oil & Gas Exhibition Incorporating Refining and Petrochemicals was held Baku in May 1994 on the threshold of the Contract of

the Century signed in September 1994, which defined the key directions of large-scale development of Caspian hydrocarbon resources and opened a new era in the oil history of the Republic. With the start of this grandiose project twenty years ago, for many countries and companies of the world Azerbaijan became a symbol of global cooperation initiated by Nationwide Leader Heydar Aliyev, who became the ideological inspirer of the exhibition and accepted the offer to organise the exhibition in the country with big enthusiasm. Since the first days of the exhibition Heydar Aliyev always emphasized in his speeches that Caspian Oil & Gas was a good platform for involving world oil and gas companies into the development of the oil and gas industry of Azerbaijan. When the Contract of the Century was signed, the need for suppliers of equipment and services considerably increased. Therefore,

for development of the Azerbaijani oil and gas industry, as Heydar Aliyev used to say, it would be much better if suppliers came to Azerbaijan, rather than SOCAR's experts would look for required equipment worldwide. He used to say that he wanted to host such an exposition where our specialists could get acquainted with and choose the latest equipment and services at competitive prices. Just thanks to his vision the first Caspian Oil&Gas exhibition was organised in 1994. From year to year the exhibition kept on growing and bringing benefits to the oil and gas sector of Azerbaijan. From the very beginning and for 19 consecutive years of successful development the exhibition has become the key event of the fuel and energy complex of the region. Caspian Oil & Gas turned into the traditional place where leading oil, gas and energy experts meet, the place where memorandums, agreements and contracts on further cooperation are signed and contacts between producers and customers are established and provide opening new plants and representations of the largest companies within the country. The high status of the exhibition is supported by the fact that throughout its history the exhibition was held under the Patronage of the President of the country. On the occasion of each exhibition the President of Azerbaijan receives letters of congratulations from the U.S. President, Prime Ministers of Great Britain, Turkey, Georgia and some other countries. The list of participants of the exhibition and also the sponsors of the event representing world's leading companies of the oil and energy sector includes BP, OMV, Conoco Phillips, Statoil, Total, TPAO, RWE and many others. For the Azerbaijani companies engaged in the



oil and gas sector the exhibition has opened up the wide range of opportunities for cooperation with foreign companies and introduction of brand-new technologies into local production and production of hydrocarbon resources. The Azerbaijani agencies and companies such as the Ministry of Industry and Energy of Azerbaijan and the State Oil Company of Azerbaijan (SOCAR) are making incredible contribution to the development of the exhibition. These 20 years of the exhibition and conference are a good proof of stability inherent to Azerbaijan and continued interest of the world community towards Azerbaijan.

CE: ITE Group organises a wide range of international oil-and-gas exhibitions and conferences in different countries of the world, including the CIS states. Could you, please, single out specific features of the Azerbaijan exhibition in particular?

Edward Strachan: ITE is the industry-leading organiser of oil-and-gas exhibitions and conferences in the emerging countries across the globe. The company organises events in the Middle East, Russia, Central Asia and other countries. Each country and each exhibition has specific features, and, of course, some markets differ in the levels of international and local participation. I would say that the Caspian Oil & Gas Exhibition is unique in its role of the obvious leader in the market with the parity of local

and foreign participation. And, certainly, the main difference of the exhibition is the level of political support and care we receive from the Government of Azerbaijan. Thanks to the interest of the Head of State to the exhibition, from year to year throughout those years Caspian Oil & Gas has been bringing together leaders of the oil industry of the entire world, attracting attention of the world community to Azerbaijan. Participation of the President of the Republic of Azerbaijan in the ceremony of opening the exhibition emphasizes the high status of Caspian Oil & Gas. The leaders of different countries, including the Prime Ministers of Great Britain, Turkey, Norway, the Presidents of the USA, France, Georgia, and the President of the European Union send letters of greeting to the Head of Azerbaijan on the occasion of opening the next exhibition and conference.

But for me as the organiser it is easier to mention common features of exhibitions, rather than point out their differences. Our exhibitions have the common business model of ITE, which is focused on the strong brand developed in London with responsibility for commercial marketing and coordinating of the international associations, whereas our agents form national groups for various events, and local offices are engaged in material support and the relations with local clients and the government. This model, which has brought benefits to customers as well as the host country for the last twenty

years, enabled us to increase a series of oil-and-gas exhibitions from one event to more than 20.

CE: For Azerbaijani experts and the public stable years-long organisation of international exhibition, which has been always drawn the serious interest, is a sign of the continuous attention of the international investment community to the oil and gas sector of the country. Could you, please, evaluate how does the business community treat this fact in general?

Farid Mammadov: We strongly believe that the fact of organisation of Caspian Oil & Gas every year steadily serves an important signal to the international business community. It reminds companies that there is a steady foundation, so, no matter how turbulent waves are, everybody knows that Caspian Oil & Gas will be held next year at the same time and at the same place. Companies can be sure that they will see old friends and meet new ones, establish new contacts, learn about new events of the industry, see new products available in the market.

I believe that the international business community considers twenty years of the continuous organisation of Caspian Oil & Gas as the proof of stability inherent to Azerbaijan and commitment to the open development of its oil and gas industry.

CE: Besides the economic and politi-



cal significance of the exhibition, there is another very important feature of this large-scale event – its organizational constituent. How would you evaluate the potential for arranging of such level events in Azerbaijan? Do the level of personnel, the quality of exhibition areas and relevant services meet the demands and requirements of the international exhibition?

Edward Strachan: Many people can recollect difficulties that our company faced while organising the first exhibitions. There was neither professional exhibition area, nor infrastructure when we started the exhibition business. There were not even companies able to build an exhibition area. Everything was delivered from London, and the even logistics for the exhibition business was not developed at all. There was no such concept as «temporary import», etc.

But the times change. Certainly, construction of a professional platform for exhibitions holding – the Baku Expo Centre has become the major event both for us as organizers and for the entire country. The Centre was designed and constructed according to the highest international standards and is intended for holding world-class exhibitions and conferences. It is a common knowledge that 16 years the exhibition was held in the Heydar Aliyev Sports and Concert Complex, and during this time the complex has become a real house for participants and organizers of the event.

Seizing the opportunity, I would like to once more express gratitude to the management team of the Heydar Aliyev Sports and Concert Complex for cooperation throughout those years. It was difficult because the complex is the

center for international sports events. European and global competitions are held in the complex and it is so pleasant that, despite a busy schedule of work, the complex management team always found opportunity for arranging the full calendar of exhibitions.

We would like to thank the team of the Sports and Concert Complex for the professional work and cooperation. In 2010 the Caspian Oil & Gas Exhibition was for the first time hosted in the international exhibition complex - Baku Expo Center - and, certainly, the new era for the event started. After all, the modern exhibition area opened up the opportunity to show without restrictions the latest technologies in the field of oil and gas industry and created favorable conditions for working. By the way, in the same year of 2010 the exhibition was recognized as the Brand of the Year in Azerbaijan and received the prize in the nomination «Brand Award Azerbaijan 2010». In addition, throughout those 20 years Azerbaijan has bloomed and become one of the most dynamically developing countries of the world. For exhibitors and delegates coming from abroad there is a wide range of excellent hotels. Baku is a brisk city with good restaurants and excellent night life. We as organisers have also developed the strong service culture for our local customers through our local partner, Iteca Caspian, which is now a part of the global network of ITE Group. We chose the best graduates of higher institutions and taught them management of exhibitions and conferences. They all were young, full of energy and eager to learn. We sent them to our offices in London, Hamburg and Moscow. They often go to business trips to visit the leading international

exhibitions in their sectors. After these years our local experts are as good as foreign managers of exhibitions, with the knowledge and attention to what a customer looks for and what he expects from the authoritative international exhibition.

CE: The Exhibition can hardly be imagined without the Conference where the positions of the oil and nowadays even gas arteries were formed, without geological exploration and production of the oil and gas resources of the Caspian Region...

Farid Mammadov: The international Caspian Oil & Gas Conference is the important part of the business programme. Every year it brings together more than 500 delegates from over 30 countries across the globe. For 20 years the conference has become a key tribune for discussions of the rich oil-and-gas and transit potential of Azerbaijan, its attractiveness for foreign investors and possibilities of business cooperation. This meeting provides the immense flow of information, expertise and the latest technologies. Participation of ministers of some European countries along with heads of oil and gas companies of the region in the conference creates the ideal conditions for discussions and making decisions on this issue.

CE: How will the Jubilee Caspian Oil & Gas 2013 be arranged?

Farid Mammadov: This year Caspian Oil and Gas 2013 will be traditionally held during the first week of June (4 - 7) again drawing attention of the world community to the capital of Azerbaijan, which is going to host the largest event of the energy sector in the Caspian region - the anniversary Caspian Oil and Gas Exhibition and Conference. Symbolic is the fact that this year the anniversary coincides with the significant date – the 90-year anniversary of the birth of the Nationwide Leader Heydar Aliyev, who as we mentioned above, stood at the origins of the exhibition. On the occasion of the jubilee of Caspian Oil & Gas's founder on May 11 rare trees and flowers were planted in the Central Botanical Garden together with the participants of the exhibition and conference. Also in memory of Heydar Aliyev a jubilee stand reflecting the historical moments of the exhibition with his participation will be built in the territory of the exhibition in the Baku Expo Center.

The exposition of works of artist Sabir Chopuroglu will be organised

within the frame of the anniversary program. His works are original for all pictures have been painted with oil. In the days of the exhibition in Baku Expo Center the artist will create his pictures in the presence of exhibitors and guests of the anniversary Caspian Oil & Gas. Supplementing the gallery will be little artists, the students of the art school «Kids Art», who will also draw pictures directly at the exhibition's site. At the last anniversary we established the tradition to reward the best students who have chosen a profession of an oilman. So, in 2008 such award was granted to the student of the Azerbaijani Oil Academy Sakhil Babaliyev, who gathered 692 points when passing the admission exams. This year, on June 4, the special award in the form of annual scholarship of the Caspian Oil & Gas will be granted to the first-year student, who has gained the highest points in the process of admission to the Azerbaijani Oil Academy. The evening reception organised by the Embassies of Great Britain and the USA in Azerbaijan and charitable reception of the Anglo-Azerbaijani Society with Caspian Oil and Gas as one of the sponsors will take place in the days of the Caspian Oil & Gas Exhibition and Conference. Thus, additional activities dated for the 20-year anniversary of the exhibition and conference will create special solemnity and festive



atmosphere thanks to their information saturation, coloration and variety. All companies that have been participating in the exhibition throughout 20 years will receive memorable souvenirs. We as organisers strongly believe that Caspian Oil & Gas will step over the 20-year boundary and remain a visiting card of achievements of the oil sector of the region and the platform for establishing business contacts and new prospects for mutual cooperation.

I would like to seize the opportunity and express gratitude to the leadership of the Republic supporting our exhibitions, the

Ministry of Industry and Energy which has been with us for 20 years, SOCAR which has always actively supported us and participated in all events, put forward its vision and gave us required advice. We are grateful to the Caspian-European Integration Business Club and Caspian Energy International Media Group for your proper appreciation of our work in the organisation of this exhibition. I believe that our cooperation will continue and mark new anniversaries of the Caspian Oil&Gas Exhibition in future.

Thank you for the interview

