

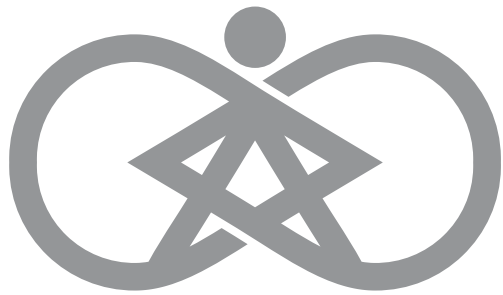


EXTRACTIVE INDUSTRIES TRANSPARENCY

SUMMARY REPORT

2017





**HSS**

Extractive Industries  
Transparency Commission

EXTRACTIVE  
INDUSTRIES  
TRANSPARENCY  
SUMMARY  
REPORT  
2017

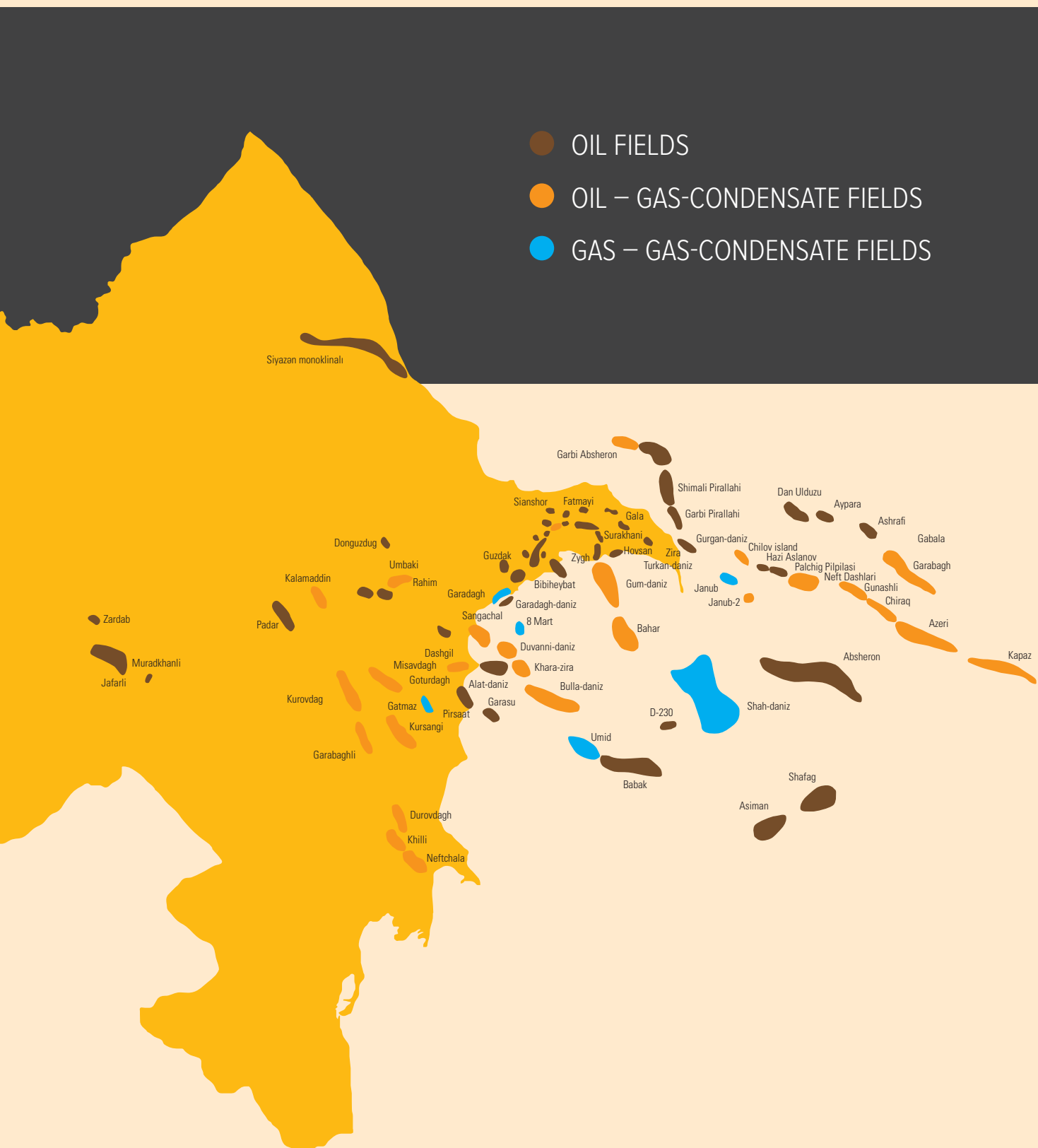
# 1 THE MAP OF OIL AND GAS FIELDS

## OVERVIEW:

In accordance with the Decree No. 1315 of the President of the Republic of Azerbaijan, dated April 5, 2017 on “Additional Measures to Increase Transparency and Accountability in the Extractive Industries”, the implementation of transparency and accountability standards in the extractive industry of the country is sustained on the basis of the following international principles:

1. Management of revenues generated from natural resources for increased welfare of country citizens and national interests shall be the sovereign power of state;
2. Introduction of lean practices for use of revenues generated from natural resources is a key enabler for poverty reduction and sustainable economic development;
3. Transparency and accountability standards should be promoted in the performance of government bodies, private sector and social relations;
4. The state should be accountable to citizens for management of revenues generated from extractive industries;







## 2 PLACEMENT OF GOLD AND SILVER DEPOSITS





5. Increase of transparency should be achieved with strict compliance with contracts and laws;
6. All efforts should be taken to strengthen transparency, as well as public finance management and accountability in public and private institutions involved in extractive industry;
7. Financial transparency standards of the country should be applicable to all companies operating in extractive industry;
8. All stakeholders including public bodies, companies operating in extractive industry, international organizations, financial institutions, investors and non-governmental organizations should participate in introduction of transparency.

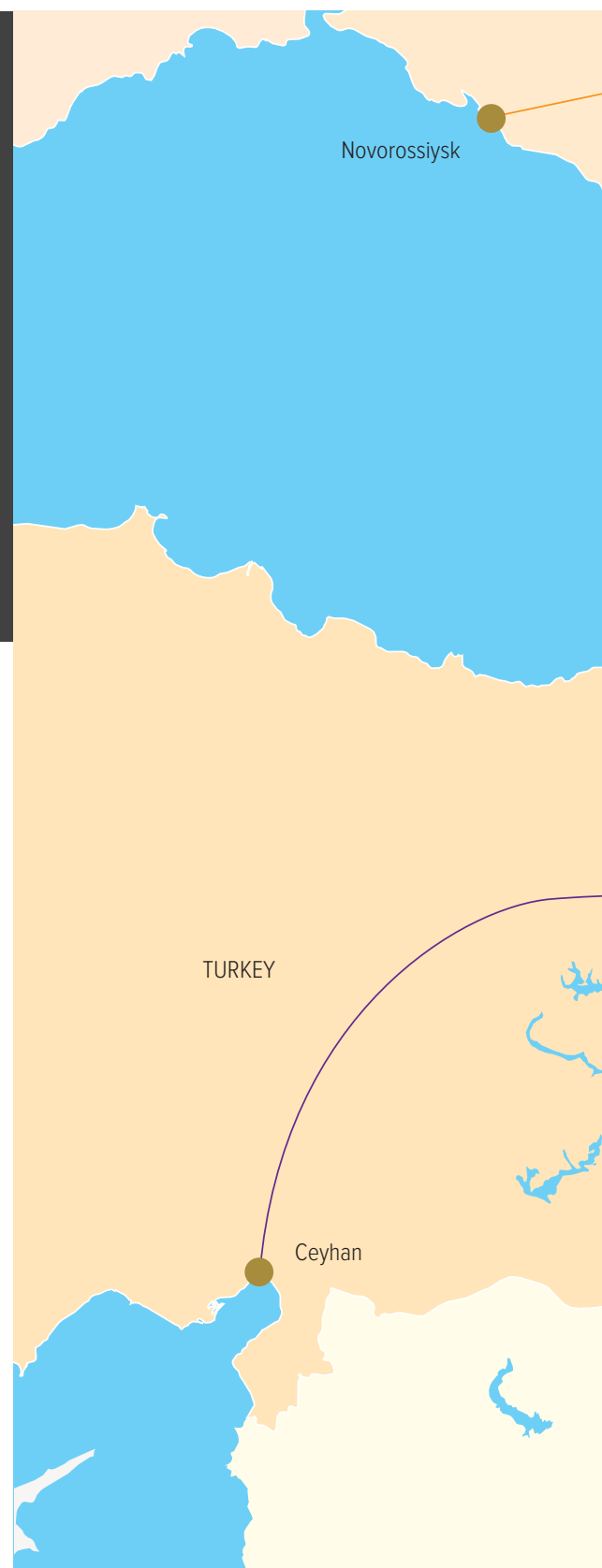
In accordance with paragraph 2 of the above mentioned Decree, the Extractive Industries Transparency (EIT) Commission (hereinafter referred to as the Commission) was established to ensure transparency and accountability in the extractive industry in Azerbaijan. The Commission carries out its activities based on the Annual Activity Plan.

The Commission encourages broader implementation of consolidated reports on Extractive Industries Transparency (hereinafter EIT report) and promotes the implementation of EIT in order to increase public awareness on revenues and encourages the implementation of high transparency and accountability standards in public life, government transactions and business sector.

In accordance with the Decree, functions of the Commission's Secretariat on administering the current activities of the Commission are carried out by the State Oil Fund of the Republic of Azerbaijan.

# 3 THE MAP OF OIL AND GAS PIPELINES

-  BAKU-TBILISI-CEYHAN OIL PIPELINE
-  BAKU-TBILISI-ERZURUM GAS PIPELINE
-  BAKU-SUPSA OIL PIPELINE
-  BAKU-NOVOROSIYSK OIL PIPELINE







# 4 ENERGY BALANCE (thousand NET)

	All products, total	Crude oil	Oil products, total	including:		
				Gas of oil plants	Liquefied petroleum gas	Automobile gasoline
Production of primary energy products	57,036.0	39,810.4	-	-	-	-
Import	2,521.6	64.4	472.0	-	-	134.6
Export	-43,311.2	-33,797.7	-1,139.7	-	-93.4	-7.2
Filled in fuel tanks for international flights	-208.5	-	-208.5	-	-	-
For the fuel tanks of ships	-45.1	-	-45.1	-	-	-
For the fuel tanks of aircraft	-163.4	-	-163.4	-	-	-
Changes in reserves (balances)	-566.0	23.4	-60.2	-	3.3	-32.3
<b>Total energy provision</b>	<b>15,471.9</b>	<b>6,100.5</b>	<b>-936.4</b>	-	<b>-90.1</b>	<b>95.1</b>
Statistical difference	66.1	-	35.0	-	-	15.1
Transfers	-	-	-	-	-	-
Transformation sector processes	-4,020.6	-6,048.6	5,287.5	217.1	240.6	1,254.1
Electricity generating power plants	-1,977.2	-	-31.0	-	-	-
Heat and electric power generating thermal power plants	-1,558.4	-	-294.4	-	-	-
Heat exchangers (Boiler rooms)	-44.5	-	-0.4	-	-	-
Gas processing plants	28.0	-	33.1	-	13.4	-
Domna ovens	-	-	-	-	-	-
Oil refineries	-468.4	-6,048.6	5,580.2	217.1	227.2	1,254.1
Petrochemical plants	-	-	-	-	-	-
Other Transformation Processes	-0.1	-	-	-	-	-
Domestic consumption of energy sector	1,147.7	10.1	354.4	217.1	-	-
Losses	972.0	41.8	-	-	-	-
<b>Final consumption</b>	<b>9,265.5</b>	-	<b>3,961.7</b>	-	150.5	1,334.1
Final consumption for energy purposes	8,210.0	-	2,936.2	-	15.3	1,334.1
Industry and construction	1,098.1	-	86.5	-	0.2	-
Ferrous metallurgy	59.9	-	-	-	-	-



including:						Natural gas	Renewable energy sources and waste	Thermal energy	Electrical energy	Other types of fuel
White oil type	reactive engine fuel	Other types of white oil	Diesel fuel	Fuel oil	Oil bitumen	Other oil products				
-	-	-	-	-	-	-	16,967.6	258.0	-	-
84.8	2.6	1.2	199.0	6.9	42.9	1,968.5	-	-	9.3	7.4
-186.6	-	-614.7	-12.7	-	-225.1	-8,263.5	-	-	-110.3	-
-163.4	-	-45.1	-	-	-	-	-	-	-	-
-	-	-45.1	-	-	-	-	-	-	-	-
-163.4	-	-	-	-	-	-	-	-	-	-
0.3	-	29.5	-83.7	4.3	18.4	-528.9	-0.3	-	-	-
<b>-264.9</b>	<b>2.6</b>	<b>-629.1</b>	<b>102.6</b>	<b>11.2</b>	<b>-163.8</b>	<b>10,143.7</b>	<b>257.7</b>	-	<b>-101.0</b>	<b>7.4</b>
-	-	14.8	0.4	3.3	1.4	28.2	-	-	2.7	0.2
-	-	-	-	-	-	-	-	-	-	-
606.2	-	1,873.5	-75.3	231.9	939.4	-5,288.1	-221.7	158.7	2,091.6	-
-	-	-10.5	-20.3	-	-0.2	-3,055.6	-221.6	-	1,331.0	-
-	-	-0.1	-294.3	-	-	-2,039.0	-	14.4	760.6	-
-	-	-0.1	-0.3	-	-	-188.4	-	144.3	-	-
-	-	-	-	-	19.7	-5.1	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
606.2	-	1,884.2	239.6	231.9	919.9	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-0.1	-	-	-
-	-	-	-	-	137.3	457.2	-	1.0	325.0	-
-	-	-	-	-	-	717.5	-	19.2	193.5	-
341.3	2.6	1,229.6	26.9	239.8	636.9	3,652.7	36.0	138.5	1,469.4	7.2
333.4	0.6	1,227.6	22.4	-	2.8	3,628.8	36.0	138.5	1,469.4	1.1
-	0.1	68.0	15.4	-	2.8	699.5	1.5	-	310.6	-
-	-	-	-	-	-	29.3	-	-	30.6	-

# 4 ENERGY BALANCE

## (thousand NET)

(continuation)

	All products, total	Crude oil	Oil products, total	including:		
				Gas of oil plants	Liquefied petroleum gas	Automobile gasoline
Chemistry and petrochemistry	189.9	-	1.7	-	-	-
Non-ferrous metallurgy	64.7	-	-	-	-	-
Manufacture of non-metallic mineral substances	316.9	-	1.5	-	-	-
Transportation equipment	1.7	-	0.1	-	-	-
Manufacture of machinery and equipment	31.7	-	3.5	-	-	-
Mining	18.5	-	2.5	-	-	-
Manufacture of food and tobacco	221.5	-	10.0	-	0.1	-
Manufacture of paper, pulp and printing products	4.5	-	-	-	-	-
Woodworking and wood products production	4.5	-	-	-	-	-
Weaving, leather and clothing industry	21.8	-	0.4	-	-	-
Construction	142.2	-	66.4	-	0.1	-
Other industries	20.3	-	0.4	-	-	-
<b>Transportation</b>	<b>2,563.9</b>	-	<b>2,527.5</b>	-	<b>7.3</b>	<b>1,327.5</b>
Automobile	2,136.8	-	2,136.8	-	7.3	1,327.5
Railway	38.0	-	9.0	-	-	-
Indoor air	333.4	-	333.4	-	-	-
Inland water	48.3	-	48.3	-	-	-
Pipeline	7.4	-	-	-	-	-
Other types of transport	-	-	-	-	-	-
<b>Other sectors of the economy</b>	<b>4,548.0</b>	-	<b>322.2</b>	-	<b>7.8</b>	<b>6.6</b>
Agriculture, forestry and fishing	444.1	-	297.4	-	0.1	5.9
Commercial and public services	709.8	-	8.8	-	1.2	-
Households	3,394.1	-	16.0	-	6.5	0.7
Other areas	-	-	-	-	-	-
<b>Final consumption for non-energy purposes</b>	<b>1,055.5</b>	-	<b>1,025.5</b>	-	<b>135.2</b>	-



including:						Natural gas	Renewable energy sources and waste	Thermal energy	Electrical energy	Other types of fuel
White oil type reactive engine fuel	Other types of white oil	Diesel fuel	Fuel oil	Oil bitumen	Other oil products					
-	-	-	-	-	1.7	163.6	-	-	24.6	-
-	-	-	-	-	-	0.7	-	-	64.0	-
-	-	-	0.4	-	1.1	284.2	-	-	31.2	-
-	-	0.1	-	-	-	0.2	-	-	1.4	-
-	-	1.2	2.3	-	-	12.1	-	-	16.1	-
-	-	2.5	-	-	-	7.6	-	-	8.4	-
-	0.1	7.5	2.3	-	-	159.0	1.4	-	51.1	-
-	-	-	-	-	-	0.4	-	-	4.1	-
-	-	-	-	-	-	0.1	-	-	4.4	-
-	-	0.3	0.1	-	-	7.9	-	-	13.5	-
-	-	56.1	10.2	-	-	23.4	0.1	-	52.3	-
-	-	0.3	0.1	-	-	11.0	-	-	8.9	-
<b>333.4</b>	-	<b>859.0</b>	<b>0.3</b>	-	-	<b>1.1</b>	<b>0.1</b>	-	<b>34.2</b>	<b>1.0</b>
-	-	802.0	-	-	-	-	-	-	-	-
-	-	8.7	0.3	-	-	-	0.1	-	27.9	1.0
333.4	-	-	-	-	-	-	-	-	-	-
-	-	48.3	-	-	-	-	-	-	-	-
-	-	-	-	-	-	1.1	-	-	6.3	-
-	-	-	-	-	-	-	-	-	-	-
-	<b>0.5</b>	<b>300.6</b>	<b>6.7</b>	-	-	<b>2,928.2</b>	<b>34.4</b>	<b>138.5</b>	<b>1,124.6</b>	<b>0.1</b>
-	-	291.3	0.1	-	-	56.7	1.7	-	88.3	-
-	0.4	0.6	6.6	-	-	234.4	19.5	24.3	422.7	0.1
-	0.1	8.7	-	-	-	2,637.1	13.2	114.2	613.6	-
-	-	-	-	-	-	-	-	-	-	-
<b>7.9</b>	<b>2.0</b>	<b>2.0</b>	<b>4.5</b>	<b>239.8</b>	<b>634.1</b>	<b>23.9</b>	-	-	-	<b>6.1</b>

# 5 THE SHARE OF THE EXPORT IN THE EXTRACTIVE INDUSTRY

VOLUME OF EXPORTED CRUDE OIL AND NATURAL GAS IN 2017

CRUDE OIL

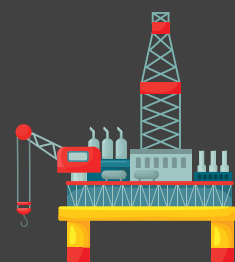
NATURAL GAS



27 227,9 (THSD TONNES)  
10 706,8 (USD MLN)

7 543,5 (MLN M<sup>3</sup>)  
1 193,7 (USD MLN)

# 6 ACTIVE PSA'S



## OFFSHORE FIELDS

Date of signature	Contractors and their participating interests			Reserves	
	Name of the company	Year end 2016 %	Year end 2017 %	Oil	Gas
The Agreement on joint development and production sharing for the Azeri and Chirag fields and the Deep Water Portion of the Gunashli (production stage)					
20.09.1994	BP Exploration (Caspian Sea) Limited	35,8	30,37	✓	
	Azerbaijan (EYSC) Limited	11,6	25,0		
	Shevron Khazar Ltd	11,3	9,57		
	Inpex Southwest Caspian Sea, Ltd.	11,0	9,31		
	Equinor*	8,6	7,27		
	Exxon Azerbaijan Limited	8,0	6,79		
	Türkiye Petrolleri Anonim Ortaklığı .	6,8	5,73		
	Itochu Oil Exploration (Azerbaijan) Inc.	4,3	3,65		
	ONGC Videsh Limited	2,7	2,31		
Shahdeniz (production stage)					
04.06.1996	BP Exploration (Caspian Sea) Limited	28,8	28,8	✓	
	Azerbaijan (Shah Deniz) Limited	10,0	10,0		
	Lukoil Overseas Shah Deniz Ltd.	10,0	10,0		
	Naftiran Intertrade Co (NICO) Limited	10,0	10,0		
	Petronas Azerbaijan Shah Deniz S.A.R.L	15,5	15,5		
	Turkish Petroleum Overseas Company Ltd	19,0	19,0		
	SGC Upstream LLC	6,7	6,7		
Absheron field (exploration stage)					

Date of signature	Contractors and their participating interests			Reserves	
	Name of the company	Year end 2016 %	Year end 2017 %	Oil	Gas
27.02.2009	SOCAR Affiliate	40,0	50,0		
	Total E & P Absheron B.V	20,0	50,0		✓
	ENGIE Eand P Absheron B.V.*	20,0	00,0		
<b>Shafag-Asiman field</b> (exploration stage)					
07.10.2010	BP Shafag-Asiman Limited	50,0	50,0		✓
	SOCAR Affiliate	50,0	50,0		
<b>Shallow Water Absheron Peninsula</b> (exploration stage)					
14.04.2015	BP Exploration (Caspian Sea) Limited	50,0	50,0		✓
	SOCAR Affiliate	50,0	50,0		
<b>Bahar and Gum Deniz block of Onshore fields</b> (production stage)					
22.12.2009	Bahar Energy Limited	80,0	80,0	✓	
	SOCAR Affiliate	20,0	20,0		✓



## ONSHORE FIELDS

Date of signature	Contractors and their participating interests			Reserves	
	Name of the company	Year end 2016 %	Year end 2017 %	Oil	Gas
<b>Padar Area and the Adjacent Prospective Structures</b> (exploration stage)*					
27.04.1999	Kura Valley Development Company Ltd.	80,0	80,0	✓	
	SOCAR Affiliate	20,0	20,0		
<b>Balakhany, Sabunchu, Ramana and Kurdakhany</b> (production stage)					
06.05.2011	UGE-LANCER PTE Ltd.	75,0	75,0	✓	
	SOCAR Affiliate	25,0	25,0		
<b>The Block that includes Kurovdagh Oil Field</b> (production stage)					
03.02.2009	Shirvan Investment Limited	80,0	80,0	✓	
	SOCAR Affiliate	20,0	20,0		
<b>The Block that includes Kursangi and Garabaghly</b> (production stage)					



15.12.1998	Salyan Oil LLC	50,0	50,0	
	CNPC International (Kura) Limited	25,0	25,0	✓
	Fortunamate Assets Limited	25,0	25,0	
<b>The Block including Mishovdagh and Kelameddin (production stage)</b>				
12.09.2000	Karasu Development Company	85,0	85,0	✓
	Ali Bayramli Neft LLC	15,0	15,0	
<b>The Block Including the Neftchala, Hilli, Durovdag-Babazanan Oil Fields and South-West. Flange of the Mugan Monocline (producing stage)</b>				
03.02.2009	Neftchala Investments Limited	80,0	80,0	✓
	SOCAR Affiliate	20,0	20,0	
<b>The Block includes Pirsaat oil field and the adjacent territories (exploration stage)</b>				
04.06.2003	Petro-Hong-Kong Pirsaat Oil	80,0	80,0	✓
	SOCAR Affiliate	20,0	20,0	
<b>Surakhany field (production stage)</b>				
16.08.2005	Novatis Oil F.Z.E.	75,0	75,0	✓
	SOCAR Affiliate	25,0	25,0	
<b>Zig and Hovsan Oil Fields (production stage)</b>				
03.11.2006	Absheron Investment Limited	75,0	75,0	✓
	SOCAR Affiliate	25,0	25,0	
<b>Binagadi, Girmaki, Chakhnaglar, Sulutepe, Masazir, Fatmai, Shabandagh and Sianshor Fields (production stage)</b>				
29.09.2004	Azen Oil Company B.V.	75,0	75,0	✓
	SOCAR Affiliate	25,0	25,0	
<b>The Block includes Shikhzagirli, Sheytanud, Burgut, Donguzdug, Nardaran, Ilkhichi, Western Hajyvalli, Sundi, Easters Hajyvalli, Turagay, Kanizadag, Western Duvanny, Solakhay and Dashgyl fields of Southern-West Gobustan (production stage)</b>				
02.06.1998	Commonwealth Gobustan Limited	80,0	80,0	✓
	Gobustan Neft LLC	20,0	20,0	
<b>Muradkhanli, Jafarli and Zardab oil fields (production stage)</b>				
16.03.2016	Zenit Aran Oil Company Limited	-	80,0	✓
	SOCAR Affiliate	-	20,0	

## PSA ON EXTRACTION OF METAL ORES

Date of signature	Contractors and thier shares	Reserves	
	Company	%	Gold and silver
Gadabay gold and copper project (production stage)			
22.12.2009	Ministry of Ecology and Natural Resources of the Republic of Azerbaijan	51,0	✓
	R.V.Investment Group Services	49,0	





Extractive companies	Revenue stream (in cash)											
	(USD mln.)					(USD mln.)	(mln. AZN)	(mln. AZN)				
	Monetary inflow from oil	Monetary inflow from gas	Bonus	Transit fee	Acreage fee	Profit tax	Royalty (Mining tax)	VAT	Property tax	Land tax	Price changes	Other taxes
Neftchala Investments Limited	0,797	-	-	-	-	-	-	-	-	-	-	-
Novatis Oil F.Z.E.	5,598	-	-	-	-	1,177	-	-	-	-	-	-
ONGC Videsh Limited	-	-	-	0,115	-	10,723	-	-	-	-	-	-
Petronas Azerbaijan Shah Deniz S.A.R.L	-	-	0,014	-	-	-	-	-	-	-	-	-
Petro-Hong-Kong Pirsaat Oil	-	-	-	-	-	-	-	-	-	-	-	-
R.V. Investment Group Services	-	-	-	-	-	-	-	-	-	-	-	-
Salyan Neft LLC	-	-	-	-	-	0,470	-	-	-	-	-	-
SGC Upstream LLC	-	-	-	-	-	-	-	-	-	-	-	-
Statoil Absheron A.S	-	-	-	0,363	-	39,395	-	-	-	-	-	-
Chevron Khazar Ltd.	-	-	-	0,478	-	36,880	-	-	-	-	-	-
Shirvan Investment Limited	5,615	-	-	-	-	-	-	-	-	-	-	-
Total E & P Absheron B.V	-	-	0,887	-	-	-	-	-	-	-	-	-
Türkiye Petrolleri Anonim Ortaklığı	-	-	-	0,286	-	24,553	-	-	-	-	-	-
Turkish Petroleum Overseas Company Ltd	-	-	0,017	-	-	-	-	-	-	-	-	-
UGE-LANCER PTE.LTD	7,500	-	-	-	-	6,123	-	-	-	-	-	-
Zenith Aran Oil Company Limited	0,578	-	-	-	-	-	-	-	-	-	-	-
SOCAR	-	-	-	-	-	-	9,287	109,548	162,310	80,182	26,969	165,293
SOFAZ	-	-	-	6,218	-	-	-	-	-	-	-	-
Azergold CJSC	-	-	-	-	-	-	-	-	-	-	-	-
AzGerneft	-	-	-	-	-	-	-	-	-	-	-	-
Total	32,532	0,243	0,962	10,456	2,118	379,149	9,287	109,548	162,310	80,182	26,969	165,293

# 8 REVENUE STREAMS MADE IN KIND FROM THE EXTRACTIVE COMPANIES INVOLVED IN EIT, TO THE GOVERNMENT

Extractive industry companies	Revenue streams (in kind)							
	(mln. barrels)	(thsd. m <sup>3</sup> )	(thsd. m <sup>3</sup> )				(thsd. ounces)	(thsd. ton)
	Crude oil	Natural gas	Associated gas	Gold	Silver	Gold in concentrate of copper	Silver in concentrate of copper	Non-ferrous metals (copper concentrate)
Absheron Investment Limited	-	-	30 941,511	-	-	-	-	-
Azen Oil Company B.V.	-	-	2 735,330	-	-	-	-	-
Azerbaijan (ACG) Limited	15,340	-	-	-	-	-	-	-
Azerbaijan (Shah Deniz) Limited	-	-	-	-	-	-	-	-
Bahar Energy Limited	-	6 301,853	656,870	-	-	-	-	-
BP Exploration (Azerbaijan) Limited	-	-	-	-	-	-	-	-
BP Exploration (Caspian Sea) Limited	47,120	-	2 896 339,451	-	-	-	-	-
BP Shafag-Asiman Limited	-	-	-	-	-	-	-	-
BP Absheron Limited	-	-	-	-	-	-	-	-
CNPC International (Kura) Limited	-	-	38 620,446	-	-	-	-	-
Commonwealth Gobustan Limited	-	-	-	-	-	-	-	-
Exxon Azerbaijan Limited	10,535	-	-	-	-	-	-	-
ENGIE E AND P ABSHERON B.V.	-	-	-	-	-	-	-	-
Ali-Bayramli Neft LLC	-	-	-	-	-	-	-	-
Fortunamate Assets Limited	-	-	-	-	-	-	-	-
Inpex Southwest Caspian Sea, Ltd.	14,438	-	-	-	-	-	-	-
Itochu Oil Exploration (Azerbaijan) Inc.	5,660	-	-	-	-	-	-	-
Karasu Development Company	-	-	1 465,000	-	-	-	-	-
Kura Valley Development Company LTD	-	-	-	-	-	-	-	-
Gobustan Neft LLC	-	-	-	-	-	-	-	-
Lukoil Overseas Shah Deniz	-	-	-	-	-	-	-	-



## Extractive industry companies

## Revenue streams (in kind)

	(mln. barrels)	(thsd. m <sup>3</sup> )	(thsd. m <sup>3</sup> )				(thsd. ounces)	(thsd. ton)
	Crude oil	Natural gas	Associated gas	Gold	Silver	Gold in concentrate of copper	Silver in concentrate of copper	Non-ferrous metals (copper concentrate)
Naftiran Intertrade Co (NICO) Limited	-	-	-	-	-	-	-	-
Neftchala Investments Limited	-	-	-	-	-	-	-	-
Novatis Oil F.Z.E.	-	-	4 155,388	-	-	-	-	-
ONGC Videsh Limited	3,583	-	-	-	-	-	-	-
Petronas Azerbaijan Shah Deniz S.A.R.L	-	-	-	-	-	-	-	-
Petro-Hong-Kong Pirsaat Oil	-	-	-	-	-	-	-	-
R.V. Investment Group Services	-	-	-	6,366	2,978	0,686	14,898	0,213
Salyan Neft LLC	-	-	-	-	-	-	-	-
SGC Upstream LLC	-	-	-	-	-	-	-	-
Statoil Absheron A.S	11,276	-	-	-	-	-	-	-
Chevron Khazar Ltd.	14,844	-	-	-	-	-	-	-
Shirvan Investment Limited	-	-	9 625,590	-	-	-	-	-
Total E & P Absheron B.V	-	-	-	-	-	-	-	-
Türkiye Petrolleri Anonim Ortaklığı	8,889	-	-	-	-	-	-	-
Turkish Petroleum Overseas Company Ltd	-	-	-	-	-	-	-	-
UGE-LANCER PTE.LTD	-	-	9 429,869	-	-	-	-	-
Zenith Aran Oil Company Limited	-	-	-	-	-	-	-	-
SOCAR	-	-	-	-	-	-	-	-
Azergold CJSC	-	-	-	-	-	-	-	-
AzGerneft	-	-	-	-	-	-	-	-
<b>Total</b>	<b>131,682</b>	<b>6 301,853</b>	<b>2 993 969,118</b>	<b>6,366</b>	<b>2,978</b>	<b>0,686</b>	<b>14,898</b>	<b>0,213</b>

# 9 TOTAL PRODUCTION VOLUME

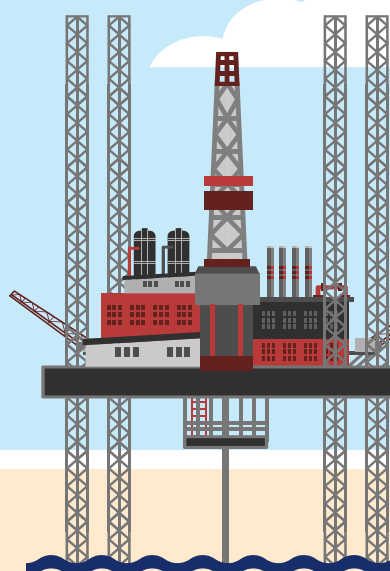
OIL (INCLUDING CONDENSATES) PRODUCTION (COMMODITY), THSD TONNES

ON THE LAND

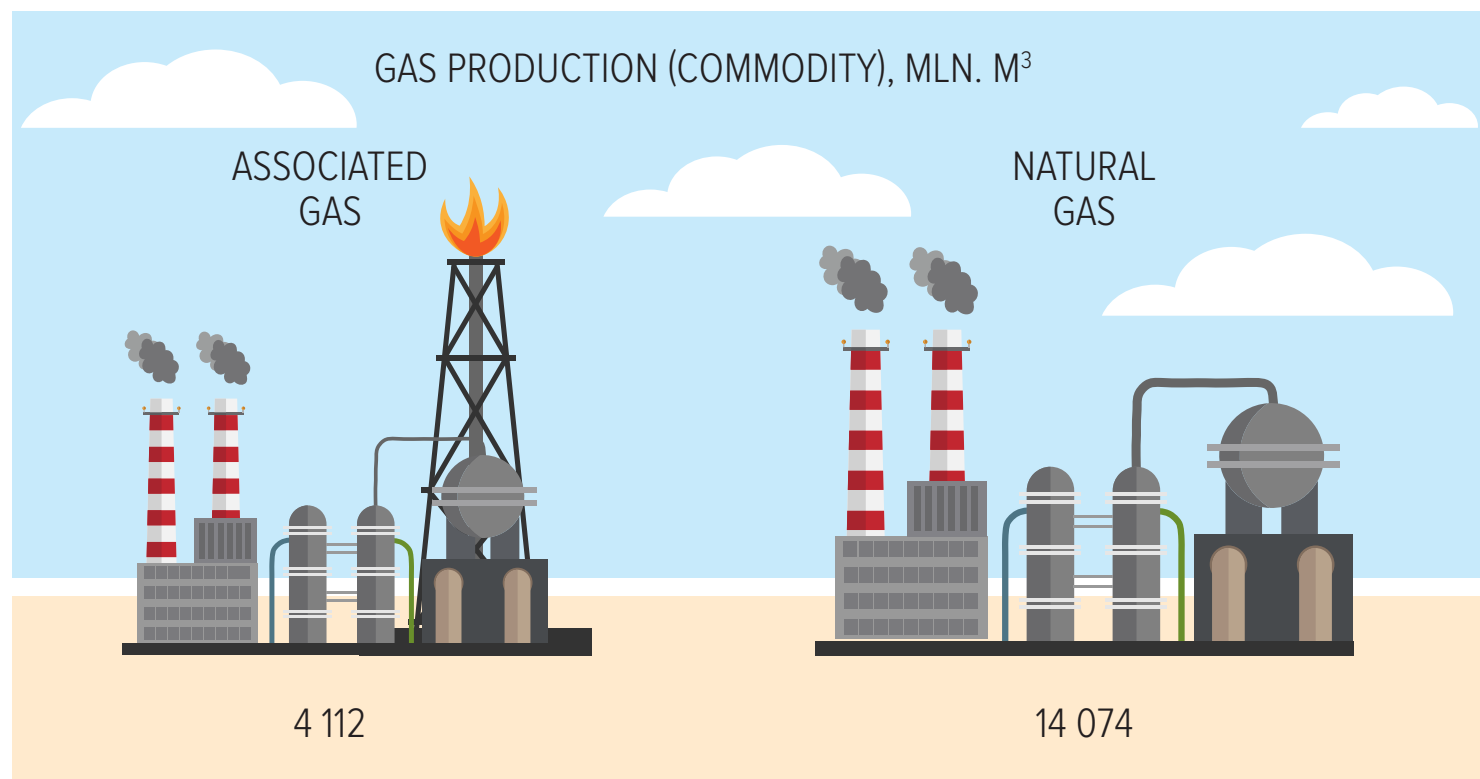


1 512

IN THE SEA



37 124



GOLD PRODUCTION, KG (PRODUCTION OF MAIN PRODUCTS)



## SILVER PRODUCTION, KG (PRODUCTION OF MAIN PRODUCTS)



## COPPER ORES AND CONCENTRATES, TONNES (THE MAIN PRODUCTION)





# 10 TOTAL AND PER CAPITA GROSS DOMESTIC PRODUCT (GDP)

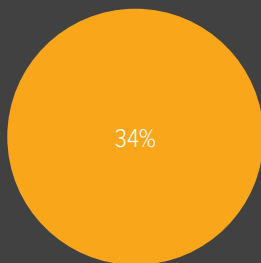


TOTAL:  
70.1 BN AZN

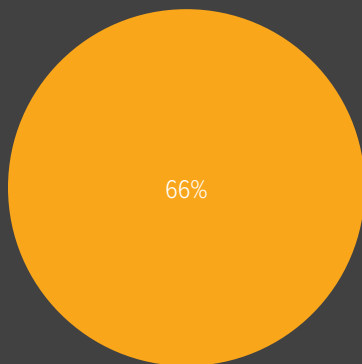


PER CAPITA:  
7.2 THSD AZN

# 11 AREA STRUCTURE OF GDP

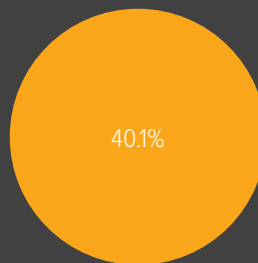


EXTRACTIVE  
INDUSTRY



OTHER  
INDUSTRIES

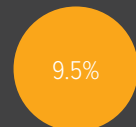
# 12 FIELD STRUCTURE OF GDP



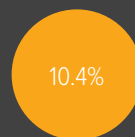
INDUSTRY



AGRICULTURE,  
FORESTRY AND  
FISHING



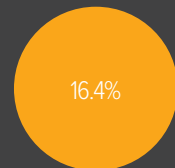
CONSTRUCTION



TRADE, REPAIR  
OF VEHICLES



PLACEMENT OF  
TOURISTS AND  
PUBLIC CATERING



SOCIAL AND  
OTHER SERVICES



TRANSPORTATION  
AND STORAGE



INFORMATION  
AND  
COMMUNICATION



NET TAXES ON  
PRODUCT AND  
IMPORT

Industrial sector is the leading sector in the structure of GDP, which is in the amount of 70.1 billion AZN. The share of the industry in the structure of GDP increased from 37.1% in 2016 to 40% in 2017. The share of social and other services in the GDP was 16.4%, the share of the construction sector is 9.5%, the share of trade, repair of vehicles is 10.4%, the share of net taxes on product and imports is 7.3%, transport and warehouse the share of agriculture in agriculture, forestry and fishing increased by 5.6%, tourists placement and public catering - 2.3%, information and communication - 1.6%.

# 13 THE LAST BUYERS OF CRUDE OIL, WHICH IS OWNED BY SOCAR AND THE STATE IN 2017

Company name	Quantity (net US bbl)	USD (million)
BP	2,676,324	146.81
CHINA OIL	2,971,578	145.84
CPC	3,193,861	158.76
ENI	9,184,649	496.11
EXXON	18,768,156	1,033.30
Galp Energia Espania (PETROGAL)	7,428,102	410.44
GLENCORE	5,795,390	319.83
IndianOil Corporation Ltd. (IOCL)	4,623,428	240.89
IRVING	7,061,214	388.98
KMG	2,738,707	147.44
Kuwait Petroleum International (KPI)	4,569,456	248.82
OMV	2,728,886	156.05
ORL	2,756,469	147.5
PAZ Oil	3,245,042	187.75
Pertamina	6,643,333	358.38
PKN ORLEN	9,860,974	534.68
ROSNEFT	3,398,966	195.16
SARAS	7,200,501	369.71

Company name	Quantity (net US bbl)	USD (million)
STIR	2,855,016	147.34
TOTALERG	3,201,090	172.46
TOTSA	2,476,450	137.85
UNIPEC	3,089,489	153.38
CEPSA	1,059,773	66.11
CHEVRON	629,764	32.55
GALTRADE	682,203	31.49
GUNVOR	682,260	34.90
HELLENIC PETROLEUM SA	682,246	34.88
INA	682,258	35.69
ITOCHU	1,784,488	96.01
MERCURIA	1,058,359	53.50
PETCO Trading UK (PES)	1,049,767	68.18
PETRA ENERGY SA	642,455	35.09
PV OIL	1,049,787	54.84
REPSOL	1,364,787	71.99
SAHARA Energy	655,421	30.59
SHELL	1,460,009	71.80
SINOCHEM	1,049,733	57.25
VITOL	682,238	39.51
<b>Total</b>	<b>131,682,629</b>	<b>7,111.86</b>

# 14 REVENUE AND EXPENSES OF THE STATE BUDGET, BILLION AZN

## REVENUES



16, 516

## EXPENCES



17, 794

Oil revenues of the state budget totaled AZN 7,884 million. The share of oil revenues to the State Oil Fund has been AZN 6,100 million.

# 15 STRUCTURE OF EMPLOYMENT

## EMPLOYMENT 2017 (THSD PEOPLE)

5 073,8



NUMBER OF ECONOMICALLY  
ACTIVE POPULATION

4 822,1



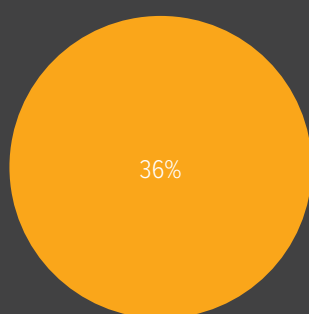
NUMBER OF PEOPLE EMPLOYED IN  
THE ECONOMY

37,9



NUMBER OF PEOPLE IN  
MINING INDUSTRY

# 16 STRUCTURE OF GENERAL EMPLOYMENT



AGRICULTURE, FORESTRY AND  
FISHING

1%

MINING  
INDUSTRY

5%

PROCESSING  
INDUSTRY

7%

CONSTRUCTION

15%

TRADE, REPAIR OF  
VEHICLES

4%

TRANSPORTATION AND  
STORAGE

8%

EDUCATION

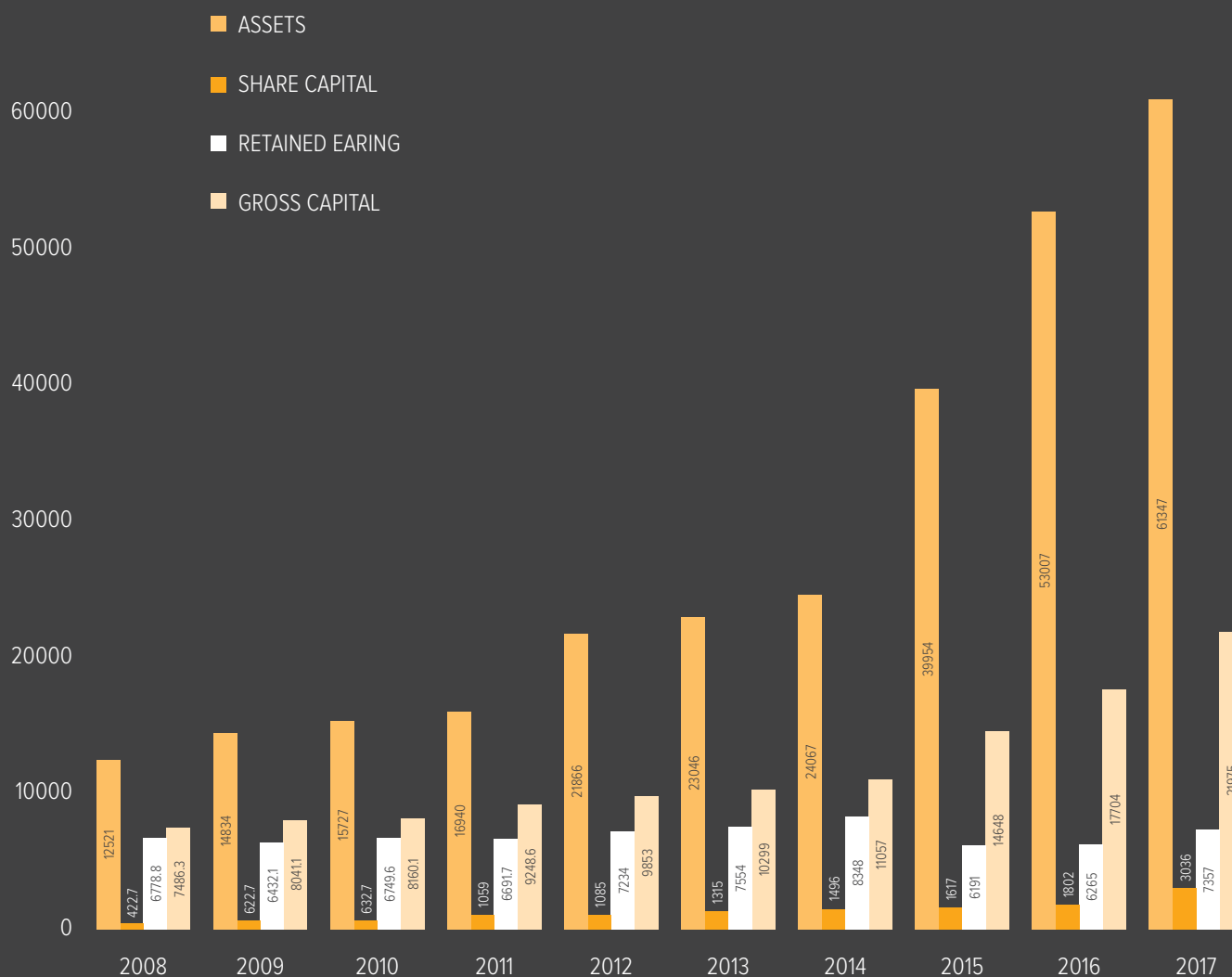
6%

PUBLIC  
ADMINISTRATION AND  
DEFENCE

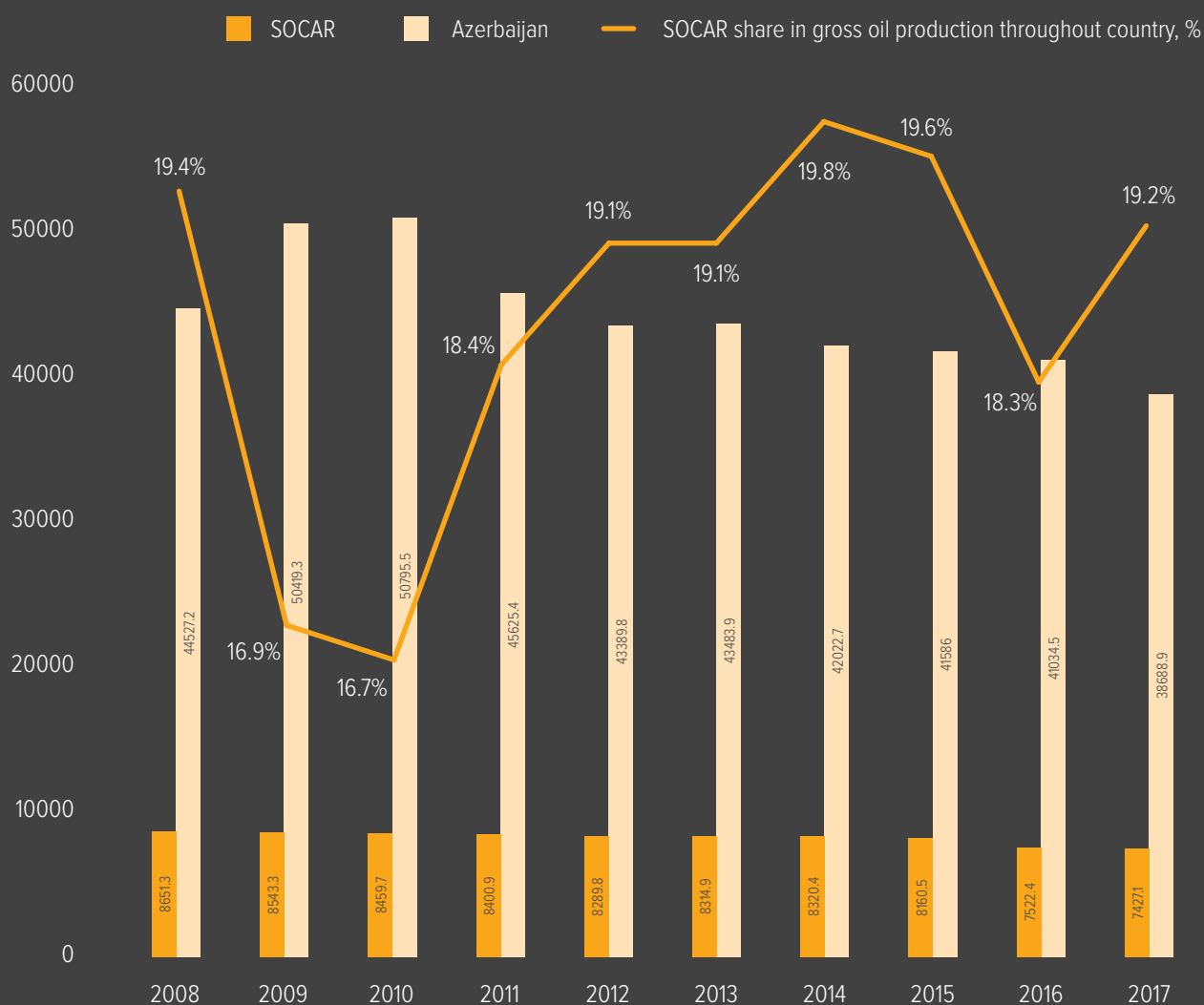
18%

OTHER

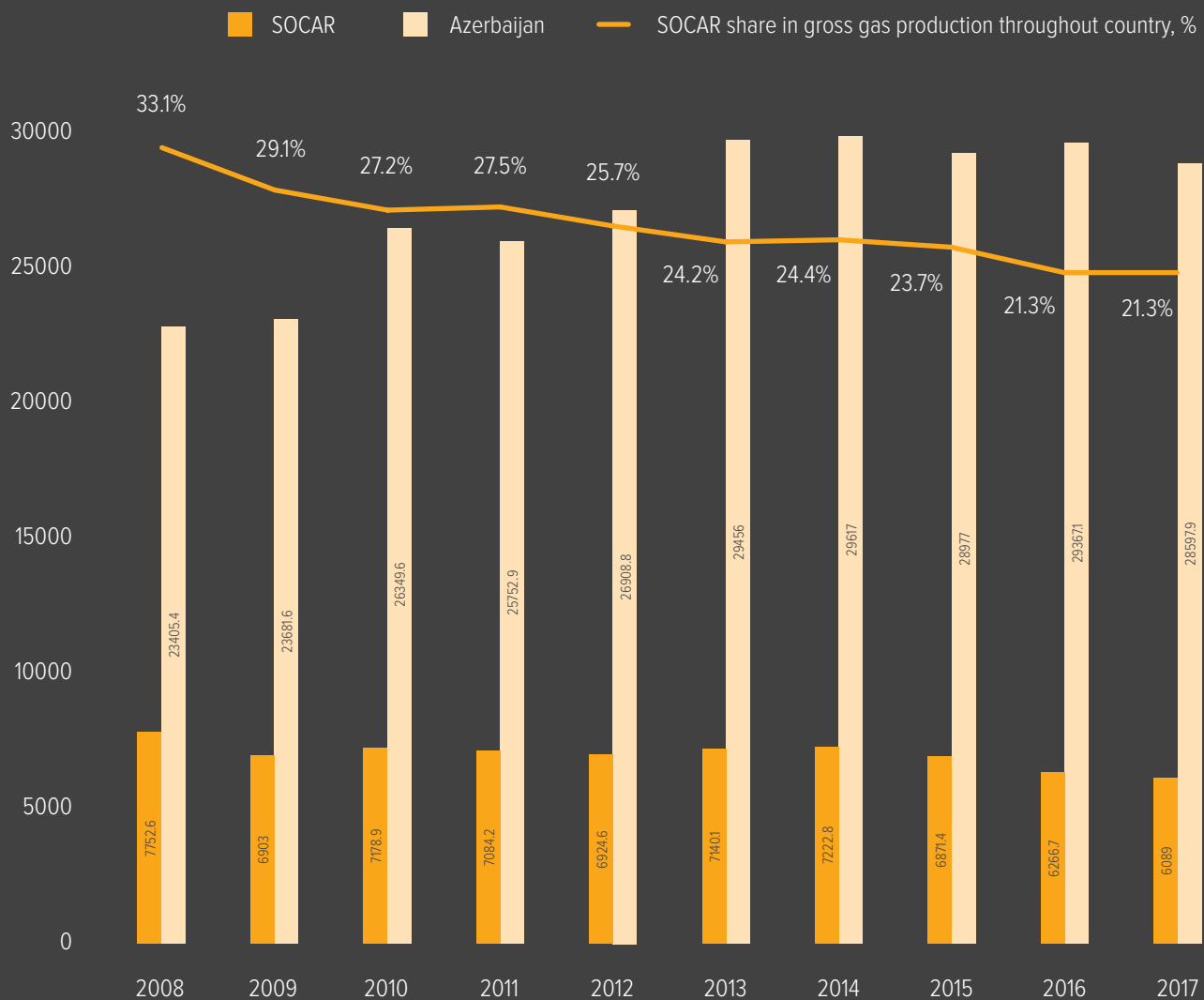
# 17 THE FINANCIAL INDICATORS OF SOCAR FOR THE YEARS 2008-2017 (MILLION AZN)



# 18 OIL PRODUCTION FOR THE YEARS 2008-2017 (THOUSAND TONS)



# 19 GAS PRODUCTION FOR THE YEARS 2008-2017 (MILLION M<sup>3</sup>)



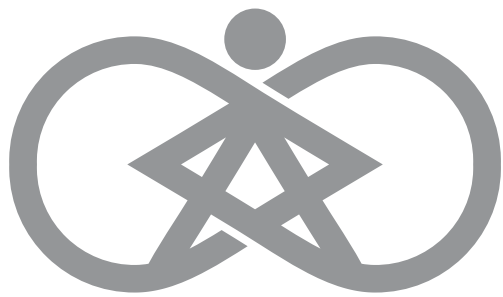


## 20 THE INCOME SOURCES OF SOFAZ

Sources	Million AZN
Proceeds from the sale of profit oil and gas	11 030,0
Revenue from managing the funds	1 083,6
Payments on transit fees	17,9
Bonus payments	2,4
Acreage fees	3,6
Other revenue and receipts	-
<b>Total</b>	<b>12 137,5</b>

## 21 THE BREAKDOWN OF EXPENSES OF SOFAZ

Sources	Million AZN
Transfer to the state budget	6 100,0
Improving social conditions of refugees and internally displaced persons	105,0
Samur–Absheron irrigation system	70,0
The administrative expenses of SOFAZ	18,1
Education of Azerbaijani youth abroad	17,0
New Baku–Tbilisi–Kars railway construction project	20,5
Financing of the participating interest of the Republic of Azerbaijan on Construction of “Star” Oil Refinery Project in Turkey Republic	735,4
Financing of the participating interest of the Republic of Azerbaijan in “South Gas Corridor” projects	-
Upper limit of the transfer to the Central Bank of the Republic of Azerbaijan for sustaining macroeconomic stability	3 949,5
<b>Total</b>	<b>11 015,5</b>



# HSS

Extractive Industries  
Transparency Commission

For a more detailed information please refer to 2017 EIT Report. [www.hssk.gov.az/en](http://www.hssk.gov.az/en)



