THE PLACE AND ROLE OF EUROPE'S ENERGY SECURITY IN AZERBAIJAN'S ECONOMIC INTERESTS

Abstract. The article analyzes the exceptional role played by the Southern Gas Corridor in ensuring Europe's energy security and the new economic parameters of Azerbaijan's access to the European energy market. Theoretical and practical aspects of the impact of changes in the world economy on the energy market are established. It is proved that in the non-oil and gas sector, the bulk of tax payments fall on the private sector. It follows that our private enterprises are becoming more profitable. The same trend, according to the minister, is observed at state-owned enterprises.

It has been determined that Azerbaijan is not only an energy provider, but at the same time it has the role of a kind of energy hub between the West and the East, which increases its economic and geostrategic importance. One of the important factors affecting energy prices in Europe is that energy prices in Azerbaijan are much cheaper compared to the traditional market. The main problem of this energy supply is logistics, where a number of regional and international factors play a role. In the article, the influence of these factors, achievements and a number of other theoretical and practical steps are refined and analyzed.

The steps taken by the European Union in the direction of reducing gas dependence on Russia have a number of negative features. This includes short-term planning of projects related to energy security, short-term measures taken due to weather conditions, contradictions between the energy policies of the countries included in the European Union, etc. The article identifies the practical steps taken to jointly overcome these problems, the risks that await countries like Azerbaijan that have just entered the European energy market with great prospects.

Keywords: energy crisis, Southern Gas Corridor, Europe, Azerbaijan, economic efficiency, energy security, economic stimulation.

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МІСЦЕ ТА РОЛЬ ЕНЕРГЕТИЧНОЇ БЕЗПЕКИ ЄВРОПИ В ЕКОНОМІЧНИХ ІНТЕРЕСАХ АЗЕРБАЙДЖАНУ

Анотація. У статті аналізується виняткова роль Південного газового коридору в забезпеченні енергетичної безпеки Європи та нові економічні параметри доступу Азербайджану до європейського енергетичного ринку. Встановлено теоретичні та практичні аспекти впливу змін у світовій економіці на енергетичний ринок.

Визначено, що Азербайджан є не тільки постачальником енергії, але, водночас, країна відіграє роль своєрідного енергетичного вузла між Заходом і Сходом, що підвищує його економічне та геостратегічне значення. Одним із важливих факторів, що впливають на ціни на енергоносії в Європі, є те, що ціни на енергоносії в Азербайджані набагато нижчі, порівняно з традиційним ринком. Основною проблемою цього енергетичного забезпечення є логістика, де відіграє роль низка регіональних і міжнародних факторів. У статті уточнено й проаналізовано вплив цих факторів, досягнення та низку інших теоретичних і практичних кроків. Додано, що в ненафтогазовому секторі основна частина податкових платежів припадає на приватний сектор. З цього випливає, що наші приватні підприємства стають прибутковішими. Така ж тенденція, за словами міністра, спостерігається і на державних підприємствах.

Кроки Європейського Союзу в напрямку зменшення газової залежності від Росії мають низку негативних рис. Це включає короткострокове планування проектів, пов’язаних з енергетичною безпекою, короткострокові заходи, вжиті через погодні умови, протиріччя між енергетичною політикою країн, що входять до Європейського Союзу, тощо. У статті визначено практичні кроки, зроблені для спільного подолання цих проблем, ризики, які чекають на такі країни, як Азербайджан, які щойно вийшли на європейський енергетичний ринок із великими перспективами.

Ключові слова: енергетична криза, Південний газовий коридор, Європа, Азербайджан, економічна ефективність, енергетична безпека, економічне стимулювання.

Problem statement. Azerbaijan, which directly participates in the energy supply of Southern Europe and the Balkan countries within the framework of the global energy crisis, is taking a number of political, economic and geostrategic steps to base this process on the criteria of long-term cooperation. In order for European countries to be interested in long-term projects, all possible risks should be taken into account, and the investments made should stabilize economic fluctuations in the energy market in a certain way. Here we are talking not only about financial investments, but also about economic planning. Economic guarantees play an
important role here, and a number of international partnership agreements, the allocation of funds from international financial institutions in this direction can be considered practical steps to minimize risks.

**Analysis of recent research and publications.** The theoretical and economic aspects of Azerbaijan's role in ensuring Europe's energy security, the development of the financial strategy, its content and structural features are reflected in the statements of the heads of state institutions and heads of state of the countries directly participating in this process, as well as in the publications of a number of independent authors: reports of International Emergency Agency, reports of EU, article of authors Gabriel di Bella, Alex Pienkowski, Martin Stuermer, etc.

**Purpose of the article.** The main aim of the article is to determine the positive and negative aspects of integration into the European energy market for Azerbaijan, to consider the impact on domestic economic factors, oil-gas and non-oil sectors.

**Results and Discussions.** In 2022, in the state budget revenues of Azerbaijan, oil and gas and non-oil and gas revenues were approximately at the same level. In addition, this despite the fact that oil and gas prices this year were much higher than in previous years. The economic policy of Azerbaijan, which provides, along with large-scale reforms, the transition from a narrow-profile to a highly branched economy, has yielded positive results in 2022. This year will generally be remembered for positive trends in terms of diversifying the Azerbaijani economy.

The fact is that in the non-oil and gas sector, the bulk of tax payments fall on the private sector. It follows that our private enterprises are becoming more profitable. The same trend, according to the minister, is observed at state-owned enterprises.

It will only grow, as evidenced by the new approaches taken by the government. Until now, the main tool for the development of the private sector has been the provision of soft loans through the Enterprise Development Fund. But the Fund covers thousands of projects, and the use of this tool alone does not meet today's demand. Therefore, in the coming year, in order to further support business, the task is to expand the activities of the Entrepreneurship Development Fund with the introduction of new tools for the development of the private sector. In particular, it is planned to create a number of financial instruments in accordance with the requirements of the Azerbaijani economy, the presentation of which will take place in the first quarter of this year.

For example, it should be recalled that agriculture is always subsidized by the state. However, the agricultural sector around the world depends on subsidies and subsidies. Labor productivity here is much lower than in the industrial sector, and it would never occur to anyone to compare agriculture with, say, the ICT sector. There are many other areas of the non-oil and gas sector, mostly socially oriented, that also depend on subsidies. In addition, many enterprises in the non-oil and gas sector are only gaining momentum, promising to soon reach profitable production.
There are complaints about the non-oil and gas sector and on the issue of exports. In this, it is still far from the oil and gas sector. In addition, this year has been a record year for the oil and gas industry in terms of value. Nevertheless, the share of the oil and gas sector in the country's total exports is also growing every year. Moreover, if today these two spheres of our economy have already become equal in terms of contributions to the budget revenues, and then there is no doubt that we will soon see the same picture in export statistics.

If we look at the export statistics of energy resources of Azerbaijan, we can see the following picture: the Memorandum of Understanding on the strategic partnership between Azerbaijan and the European Union in the energy sector signed between Azerbaijan and the European Union on July 18, 2022 created new conditions in the energy sector of the economy of both Europe and Azerbaijan. However, there are other interstate agreements concluded between Azerbaijan and individual states. For example, from January 1, 2023, Romania began purchasing gas from Azerbaijan in accordance with the agreement concluded on December 16 last year between the State Oil Company of Azerbaijan and the Romanian Romgaz S.A.

In February 2020, at the 6th Ministerial Meeting of the Southern Gas Corridor Advisory Council, a general agreement was reached regarding the export of gas to Romania at the meeting held between the Minister of Energy of Azerbaijan and the authorized representatives of Romania. As a logical continuation of this process, the Romanian government aimed to extend the Bulgarian-Romanian interconnector to Central Europe in the near future. Just two years later, Azerbaijan began to carry out the first gas transportation to Romania within the framework of a mutual agreement [1].

The agreement provides for the planned transportation of natural gas from January 1, 2023 from the Greece-Komotini exit point of the Trans-Adriatic Gas Pipeline (TAP), the European branch of the Southern Gas Corridor, through the Greece-Bulgaria gas interconnector (IGB). The contract for the supply of Azerbaijani gas to Romania provides for the injection of 300 million cubic meters of blue fuel until April 1.

In June 2022, Serbia's Deputy Prime Minister and Minister of Mining and Energy, Zorana Mihajlovic, while participating in the "Energy Forum" in Baku, said that energy stability depends to a largely extent on investment in new powers and long-term security cannot be ensured without relations between countries and joint construction of energy infrastructure.

"Our plan is to connect the gas sector with all the countries in the region. In addition to the diversification of routes and suppliers and regional connectivity, faster and more efficient development of capacities that use RES and raising energy efficiency are pillars of our energy policy. Serbia has already taken concrete steps..."
by adopting a new legislative framework, creating the basis for the energy transition process. The goal is to have at least 40 percent of the energy produced from RES by 2040 and to achieve climate neutrality by 2050. At the same time, we are working on improving energy efficiency, increasing the participation of RES and implementing new projects that we have defined in our investment plan," said Deputy Prime Minister of Serbia. [2]

It should be noted that the export of Azerbaijani gas to Europe through the TAP pipeline began on December 31, 2020. During the first year, 8.1 billion cubic meters of Azerbaijani gas was exported to Europe through the TAP gas pipeline. In 2022, the volume of gas transportation to Europe through TAP is predicted at 10 billion cubic meters. Azerbaijan has declared that it is ready to increase gas transportation to Europe if there is demand and contracts.

In the report of the International Emergency Agency for the 1st quarter of 2022, it is noted that 10 billion cubic meters of gas export potential was envisaged from Norway, Africa and Azerbaijan to European countries. The reason for this number being low is the production constraints limitation. [3].

Agreements on gas and electricity supply within the framework of the strategic energy partnership with Serbia were agreed at a high level at the level of the heads of government at the end of 2022. Within the framework of the business visit of the President of the Republic of Azerbaijan to Serbia on November 23, 2022, and the official visit of the Head of State of Serbia to Azerbaijan on December 21, 2022, issues that could greatly affect the energy economy of both countries were discussed.

It is worth noting that the fundamental problems of LNG shortage in the world market and competition between Europe and Asia for available volumes remain relevant, and they will continue in 2023. So in the coming year, we cannot exclude a new jump in quotations upwards. In addition, despite the current decline to about $800 per thousand cubic meters, gas prices are still several times higher than the average for a long history of observations. Such persistently high prices have not been seen since 1996 during the operation of gas hubs in Europe [4].

European countries are also preparing for possible climate changes, which, after returning to net withdrawal from UGS facilities, when withdrawn reserves exceed those injected, returned to net injection again. The total volume of gas in the region's underground storage facilities is about 90.5 billion cubic meters of gas. Over the week, three times less was withdrawn from storage than a week earlier - about 0.6 billion cubic meters of gas compared to almost 1.8 billion cubic meters.

At the same time, the liquefied natural gas (LNG) market, which the EU is betting on, is forecast to have a difficult period in 2023 due to the worsening energy crisis.

According to Fatih Birol, head of the International Energy Agency, LNG capacities of exporting countries are at a record low level - 20 billion cubic meters.
The volume of new LNG entering the market is very limited, and there is no significant increase in capacity yet. Moreover, China can win over the bulk of the LNG capacity, as it is the largest buyer of this fuel in the world [5].

This fact again actualizes the issue of increasing the supply of Azerbaijani gas to Europe - Baku and Brussels are unanimous in this opinion. The parties have already reached an agreement to double the capacity of the Trans Adriatic Pipeline (TAP), which will allow Europe to receive up to 20 billion cubic meters of cheap Azerbaijani gas annually. This, of course, will help Europe solve the problem of gas shortages.

In connection with the refusal of Europe from Russian gas, it is worth reviewing the general position of the countries of the old Continent in the field of LNG supply. The existing infrastructure can provide partial interruptions in the supply of Russian gas to certain countries. For example, Russian gas supplies have already been stopped to Poland, Bulgaria, Finland, Denmark and the Netherlands and reduced to Germany, Italy, France and other countries. Poland was able to replace Russian imports with LNG imports through a new interconnector with the Lithuanian Klaipeda LNG terminal and interconnectors with other EU countries, in particular with Germany. Bulgaria has the opportunity to increase gas imports from Azerbaijan and LNG imports through Greece and Turkey. Finland expects a newly leased floating LNG terminal to fully offset Russian imports by the end of the year, Denmark gets most of its flows from Germany, and the Netherlands can import from suppliers with constant access to Russian gas [6].

The proposed instrument consists of a safety price ceiling of EUR 275 on TTF derivatives before the month. The Title Transfer Facility (TTF), the EU's most widely used gas pricing standard, plays a key role in the European wholesale gas market. The mechanism will be activated automatically when both of the following conditions are met:

the first month TTF derivative settlement price is more than €275 in two weeks;

TTF prices have been €58 above the LNG reference price for 10 consecutive trading days in two weeks [7].

Energy partnership with Europe has negative and positive aspects for a number of countries such as Qatar, African countries, and Azerbaijan. Among them, the most important issue is the short-term strategic policy exhibited by European countries. The European continent, which aims to ensure energy supplies from countries like Azerbaijan until relations with Russia return to normal, is clearly not interested in long-term cooperation. This factor makes Azerbaijan cautiously approach Europe's energy policy. We must not forget other energy providers who are not interested in this business. Russia, which has dominated the European energy market for years, and the United States, which aims to provide Europe's LNG supply
largely, are interested in either hindering this process or participating in one way or another. One such failed project is the Nabucco project.

The "Nabucco" gas pipeline project, planned for the transportation of Azerbaijan and Turkmenistan gas to Europe, provided that it does not move from Russia, has been the subject of discussion for a long time. In addition to Nabucco, ITGI (Turkey-Greece-Italy) and TAP were proposed for the export of Azerbaijani gas to Europe. However, the "Nabucco" initiative remained a dream - "Nabucco", valued at 250 million euros, failed to survive political and economic competition.

One of the projects of great importance to Azerbaijan in this regard was the role of Europe as an alternative "green energy provider". That is why on December 17, 2022 the agreement signed in Bucharest showed that Azerbaijan is starting to build another energy - "green energy" bridge to Europe. Our country plans to become an important supplier of electricity, mainly "green energy" in Europe.

President of Azerbaijan Ilham Aliyev also said that with regard to the renewable energy potential of Azerbaijan, the volume of wind and solar energy on land is more than 27 gigawatts, and wind energy in the Azerbaijani sector of the Caspian Sea is 157 gigawatts. With one of our country's strategic investors, the state plans to produce 3 gigawatts of wind and 1 gigawatt of solar energy by 2027. 80 percent of them will be exported. Azerbaijan plans to create additional power of at least 6 gigawatts by 2037.

Thus, only one global energy company plans to invest in the production of 10 gigawatts of "green energy" in Azerbaijan. Two days ago, the Ministry of Energy of Azerbaijan signed a framework agreement with another global energy company. That company plans to invest in the production of up to 12 gigawatts of wind and solar energy in Azerbaijan. Thus, at least 3 gigawatts of additional transmission capacity will be created in the first phase of Azerbaijan's export.

The issue of expanding the production of "green energy" in Azerbaijan was significantly included in "Azerbaijan 2030: National Priorities for socio-economic development" authored by Ilham Aliyev. The goal is to increase the share of renewable energy in the total energy production capacity from the current 17.3 percent. It is to increase it to 24 percent in 2025 and 30 percent in 2030. Confident steps are already being taken in this direction.

On the basis of bilateral relations with the European Union, which highly values the great potential of our country in the field of renewable energy, an energy dialogue on renewable energy sources, hydrogen, energy efficiency and other issues has been started, in addition to oil and gas.

Long-term, reliable cooperation relations that started with oil and gas production are now being strengthened and include renewable energy sources, energy efficiency and other areas.
The potential of solar and wind energy in the freed territories of Karabakh and Eastern Zangezur is 9200 megawatts. The potential of wind energy in the Caspian Sea is equal to 157 gigawatts. This is a very good situation supported by the European Union.

With the signing of the memorandum between the President of the European Commission and the President of Azerbaijan, the basis for cooperation in this field was created between our country, which has great potential in the field of renewable energy, mainly wind and green energy, and European countries. This makes Azerbaijan, which plays an important role in Europe's energy security, a supplier of oil and gas, as well as an important and reliable partner that supplies renewable energy.

Today, Azerbaijan's role in the energy security of the European continent has entered a new stage. Thus, on December 17, in Bucharest, the signing of the "Agreement on strategic partnership in the field of green energy development and transmission between the governments of the Republic of Azerbaijan, Georgia, Romania and Hungary" laid the foundation for the delivery of the country's energy from renewable sources to Europe. Speaking at the groundbreaking ceremony of the 230 MW Garadag Solar Power Station, which will be built in Azerbaijan by the United Arab Emirates "Masdar" company on March 15 this year, the President of the country said that Azerbaijan exports electricity to four neighboring countries and will also supply electricity to other markets in the near future.

When talking about the implementation of Azerbaijan's regional and international energy projects, we cannot forget the role of Turkey. Two important factors should be noted here: Azerbaijan's joint energy projects with Turkey. Turkey's projects to ensure its own energy security. The Baku-Tbilisi-Ceyhan oil pipeline and the TANAP project should be highlighted among the joint energy projects of Azerbaijan and Turkey. The Trans-Anatolian Gas Pipeline (TANAP) is part of the Southern Gas Corridor - Azerbaijan gas development program and gas transportation from Azerbaijan to Italy through Georgia, Turkey, Greece and Albania. Azerbaijan is developing the Shah Deniz-2 gas field with the production of 16 billion cubic meters of gas per year. A 3,500 km pipeline system is being prepared to transport gas from the Shah Deniz field from Azerbaijan to Turkey and to European gas markets. The program from Azerbaijan to Italy consists of three projects:

a. The existing South Caucasus pipeline will be extended from Azerbaijan and Georgia to Turkey by a new parallel pipeline;

b. TANAP will transport Shah Deniz-2 gas from Turkey;

c. TAP will transport the gas through Greece and Albania and under the Adriatic Sea, connecting with the Italian natural gas network operated by Snam Rete Gas before reaching the coast in southern Italy [8, p. 6].
TANAP, the main segment of the Southern Gas Corridor, will deliver gas extracted from the "Shahdeniz-2" gas-condensate field in the Azerbaijani sector of the Caspian Sea to European consumers. TANAP is a 1,850-kilometer pipeline starting from Posof, Ardahan Province, Turkey, passing through 20 cities, 67 settlements and 600 villages, and reaching Europe in Ipsala, Edirne. TANAP, which delivers Azerbaijani gas to Turkey and Europe, is connected to the South Caucasus Pipeline on the Turkey-Georgia border, and to the TAP gas pipeline on the Turkey-Greece border. The length of TANAP's Georgia-Turkey border-Eskişehir section is 1350 kilometers, and the section along the Eskişehir-Turkey-Greece border is 480 kilometers.

The memorandum of understanding between Azerbaijan and Turkey regarding the TANAP project was signed on December 24, 2011, and the agreement on the Trans-Anatolian natural gas pipeline system was signed in Istanbul on June 26, 2012 and approved by the relevant legislative bodies of both countries. The final investment decision on the project was made on December 17, 2013. After the groundbreaking ceremony held in Kars in 2015 with the participation of the Presidents of Azerbaijan and Turkey, the construction of the pipeline began.

The diameter of the dry part of the pipeline is 56 and 48 inches, and 36 inches along the Marmara Sea. The maximum height of the belt above sea level is 2700 meters. Two branches are allocated from TANAP to the Turkish gas distribution system and its maximum annual transmission capacity is 31 billion cubic meters. The first phase of TANAP, called "Energy Silk Road", was put into operation on the transportation of the first volumes of gas to Turkey, as planned, began on June 30 of that year. Thus, three segments of the megaproject, that is, the Southern Gas Corridor - "Shahdeniz", South Caucasus Pipeline and TANAP - are being successfully implemented. The implementation of the fourth project - TAP is also nearing its end.

The second important factor in the field of energy economy between Azerbaijan and Turkey is Turkey's discovery of its domestic energy fields. Prospects for exploitation of these fields in the near future can be implemented based on Azerbaijan's experience. Turkey discovered the Sakarya field in 2020. The first gas from this field is expected to be supplied to consumers in 2023 through a 150-kilometer underwater gas pipeline. It is planned to drill 10 wells in the next years in this field with probable reserves of 405 billion cubic meters. In total, about 40 wells are expected to be drilled by 2028. In the first years, production will be 5-10 billion cubic meters. In 2025, production is planned to reach 15 billion. This is equal to one third of gas consumption in Turkey in recent years.

In December 2022, the "Fatih" drilling ship discovered 58 billion cubic meters of natural gas reserves at a depth of 3,023 kilometers in the "Cajcuma-1" field in the Black Sea.

This figure is 710 billion cubic meters and is worth 1 trillion dollars. He announced that in 2023, two more exploration and search operations will be conducted in the Mediterranean Sea.
The creation of new energy sources is one of the priority areas within the infrastructure restoration in the liberated territories of Azerbaijan. For example, the Jabrayil hub substation will ensure uninterrupted supply of electricity to the Karabakh and East Zangezur regions, meet the needs of the ongoing mega-projects, gain additional and more profitable access through the Jabrayil-Nakhchivan-Agri (Turkey) substations, and from there through the Turkish energy system to the European energy markets, to increase export opportunities, after many years to connect the Nakhchivan Autonomous Republic to the common energy system of Azerbaijan.

In addition, the construction of the 330-kV Jabrayil substation is very important for the transfer of energy that will be generated at the Khudaferin and Giz Galasi hydroelectric power plants being built jointly with Iran, as well as in alternative and renewable energy sources and small hydroelectric power plants, to the general energy system of Azerbaijan.

For the implementation of the Azerbaijan-Turkey-Europe international project, which is of interest to many countries, planning has been carried out, consisting of three stages. The first stage provides for the expansion and complete reconstruction of the 330-kilovolt substations "Agjabedi" and "Imishli" located at the closest distance to the territories liberated from occupation, the service life of which has expired, and the laying of a high-voltage power line in Jabrayil from the substation "Agjabedi", located in 132 km, and the Imishli substation - 130 km. The laying of a 330-kilovolt line from the Agjabedi substation to Jabrayil has already begun.

At the same time, most of the work was completed at the 330-kV junction substation in Jabrayil.

At the second stage, to connect Nakhchivan with the country's main energy system, a 255-kilometer double-circuit power transmission line will be laid from the Jabrayil hub substation to the autonomous republic, through the Zangezur corridor, and a 330-kilovolt Nakhchivan substation will be built.

At the third stage, in order to create an energy hub Azerbaijan-Nakhchivan-Turkey-Europe, an additional 400-kilovolt converter substation will be built in the territory of the autonomous republic near the brotherly country in accordance with European energy standards to convert 330 kilovolts to 400 kilovolts, and from Nakhchivan to Turkey will be laid double-loop power line with a length of 230 kilometers. Thus, a project of great strategic importance will be implemented [9].

When talking about Azerbaijan's role as an energy provider, environmental aspects must be mentioned. Providing regular environmental reports during the exploitation of gas fields in the Caspian Sea will prevent the destabilization of the ecological situation of the sea. In May 2022, BP submitted the decarbonization master plan for Azerbaijan to the Ministry of Energy in support of the country's
energy transition. The document outlines the potential for deepening proposals and changes to decarbonise and its renewable energy and low carbon opportunities, those renewable energy projects that are looking for additional pathways, as well as projects and opportunities that bp can help with. Based on the strategic logic of decarbonization, the plan presents the possible results of this process for Azerbaijan until 2050.

In October 2022, an international scientific-practical conference was held in Azerbaijan on the topic "Green economy and the road to ecological imperatives: new challenges, opportunities and perspectives". The conference discussed the negative effects of global climate changes on the economy of countries, the environment, as well as global food security, regional security systems, and the benefits of the green economy. In the near future, increasing the support for the green economy at the scientific level, especially the effective use of renewable energy sources in the Karabakh region, which has been facing eco-terror for nearly 30 years, will change the face of the region and neighboring countries.

**Conclusions.** The Republic of Azerbaijan and the EU have quite a number of intersecting interests in terms of economic integration, and these interests necessitate the development and deepening of economic cooperation between the parties. The main factors determining the development and deepening of mutual cooperation between the EU and Azerbaijan can be grouped as follows:

- The need to develop regional and international cooperation in order to ensure sustainable socio-economic development in the country in modern times;
- Azerbaijan's location on the same continent as the EU and, in this regard, its geopolitical and geoeconomic position is directly related to the European political and economic space;
- Intensive expansion of the scope and influence of the EU, turning the EU into one of the main economic and political power centers of the world;
- Azerbaijan has a large export potential, which is important for EU countries;
- The need for Azerbaijan to acquire high equipment and technology from EU countries for the development of the national economy;
- The need for Azerbaijan to adopt the progressive farming and management practice applied in the EU countries;
- There is a high demand for large-scale foreign investments for the modernization and development of existing production and infrastructure areas in the country, as well as for the creation of new areas;
- EU's strategic geopolitical and geoeconomic interests in the Caucasus and Caspian region;
- There is a growing demand for high-quality products produced in EU countries, including modern technological and technical equipment in the
Azerbaijani market, and favorable conditions exist in the country for their realization, etc.

As a result of all the mentioned agreements and the successful energy policy conducted in 2022, a comprehensive legal and economic base has been formed in the field of energy cooperation between Azerbaijan and the EU. This constantly developing base creates favorable conditions for expanding and deepening cooperation in various directions. At the same time, the analysis shows that this base is not sufficient for full integration into the European economic space. At the same time, there is a need to further accelerate the work of adapting the national legislation to the EU requirements, to improve the monitoring of the implementation process of the adopted decisions, and to further strengthen the coordination between institutional institutions.

The analysis and analysis of Azerbaijan's economic interests at the scientific level should be taken from several aspects: it includes both economics, geopolitics, law, and approaches from the ecological-nature point of view. The export of Azerbaijan's energy resources to Central and Western Europe will stimulate the creation and parallel development of new economic determinants. The expansion of the base of macroeconomic terms, the emergence of new biological factors during the active exploitation of new ecologically clean energy sources paves the way for the emergence of a number of new branches in economic science. Green economy, economic biology, economic geography and a number of fields are entering a new level as a result of the energy resources of the South Caucasus and the Caspian region. In the future, the joining of Central Asian countries with real and successful projects to the energy hub of the South Caucasus, especially Azerbaijan, and the further expansion of the geographical area of the “energy silk road” will create a new potential product of thought for experts.

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Література: