

3.1 Azerbaijan Fuel

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Over 80% of Azerbaijan's oil production currently comes from offshore, with a significant percentage coming from the shallow-water section of the Gunashli field, located 100 km off the Azeri coast. Development of new fields through joint ventures and PSAs in the Caspian Sea likely will boost Azerbaijan's oil production well beyond its earlier peak, with predictions that Azerbaijani oil exports could exceed 1.5 million bbl/d by 2010 and 2 million bbl/d within 20 years.

Currently, Azerbaijan's export routes are: the Baku-Novorossiisk pipeline ("northern route"), which sends Azeri oil to the Russian Black Sea, the Baku-Supsa pipeline ("western route"), which mainly carries AIOC's "early oil" from ACG to Georgia's Black Sea coast (Batumi) and the Baku-Tbilisi-Ceyhan pipeline ("BTC"), main outlet for the Azeri-Chirag-Gunashli (ACG) field in the Caspian. Oil products such as lubricants also are exported by rail in tank wagons to Georgia's Black Sea ports.

Exports through the northern route began at the end of 1997, exports on the western route started 1999, with BTC going on line in 2006 and quickly becoming Azerbaijan's main oil export route. Current production is 800,000 bbl/d, with 1.2 million bbl/d expected for 2008.

Azeri crude oil is refined domestically at two refineries: the Azerineftyag (Baku) refinery, with a capacity of 230,000 bbl/d, and the Azerneftyanajag (New Baku) refinery, which has a capacity of 212,000 bbl/d. With domestic production topping out at 311,200 bbl/d in 2001 (and half of that exported as crude oil), Azerbaijan's refineries have been running well below capacity, with overall refinery utilization rates as low as 40%. Heating oil accounts for approximately 50% of output at Azeri refineries, followed by diesel fuel (28%), gasoline (10%), motor oil (7%), kerosene (3%), and other products (2%). Both of the country's refineries are in need of modernization, which the Azeri government estimates will cost between \$600 million and \$700 million. Modernization of the two refineries will enable Azerbaijan to process imported crude oil, thereby freeing up domestic oil for export via the Baku-Ceyhan pipeline.

Information on Azerbaijan fuel may also be found at the following links:

[Azerbaijan Fuel](#)

[MY Travel Cost information for Azerbaijan \(updated monthly\)](#)

For information on Azerbaijan Fuel contact details, please see the following link:

[4.1 Azerbaijan Government Contact List](#)

Fuel Pricing

Fuel Prices as of: 2012 (local currency and US\$)	
Petrol (per litre)	2979.96 Azerbaijan Manat / 0.76 USD\$
Diesel (per litre)	2234.97 Azerbaijan Manat / 0.57 USD\$
Paraffin (per litre)	n/a
Jet A1 (per litre)	n/a

Seasonal Variations

Seasonal Variations	
Are there national priorities in the availability of fuel, e.g. are there restrictions or priorities for the provision of fuel such as to the military? (Yes / No)	Yes
Is there a rationing system? (Yes / No)	Yes
Is fuel to lower income/vulnerable groups subsidized? (Yes / No)	Yes
Can the local industry expand fuel supply to meet humanitarian needs? (Yes / No)	Yes
Is it possible for a humanitarian organization to contract directly a reputable supplier/distributor to provide its fuel needs? (Yes / No)	Yes

Fuel Transportation

Internal transportation of fuel is carried out by pipes, railway and a fleet of tank vehicles.

For information on Azerbaijan Fuel pipelines and transportation, please see the following documents:

[Baku-Tbilisi-Ceyhan \(BTC\) Main Export Oil Pipeline](#)

[Baku-Novorossiysk Oil Pipeline](#)

[Baku-Supsa Western Export Pipeline](#)

[Baku-Tbilisi-Erzurum Gas Pipeline](#)

[Dubendi Terminal](#)

[Oil Railroad Transportation](#)

Standards, Quality and Testing

Industry Control Measures	
Tanks with adequate protection against water mixing with the fuel (Yes / No)	Yes
Filters in the system, monitors where fuel is loaded into aircraft (Yes / No)	Yes
Adequate epoxy coating of tanks on trucks (Yes / No)	Yes
Presence of suitable fire fighting equipment (Yes / No)	Yes

Standards Authority	
Is there a national or regional standards authority? (Yes / No)	Yes
If yes, are the standards adequate/properly enforced? (Yes / No)	Yes
Testing Laboratories	
Are there national testing laboratories? (Yes / No)	Yes
Fuel Quality Testing Laboratory	
Company	Oil and Gas Research and Design Institute
Name	Vugar J. Abdullayev - Academic secretary
Address	AZ1012, 88a H.Zardabi str, Baku, Azerbaijan Republic
Telephone and Fax	Tel: (+994 12) 431 58 85 Fax: (+994 12) 431 87 08
Contact	Email: office.ogpi@socar.az Web: http://socar.az/ogpi/?/en
Standards Used: ISO 9001 : 2008	