The European Union’s bilateral relations with Azerbaijan are based on the EU-Azerbaijan Partnership and Cooperation Agreement in force since 1999. In February 2017, the EU and Azerbaijan began negotiations on a new framework agreement with Azerbaijan designed to give new impetus to political dialogue and mutually beneficial cooperation. Azerbaijan is an important energy partner for the EU and plays a pivotal role in bringing Caspian energy resources to the EU market.

**STRONGER ECONOMY**

- The EU is Azerbaijan’s first trading partner and biggest export and import market. It is also Azerbaijan’s largest foreign investor, both in the oil and non-oil sector.
- In Azerbaijan, the EU assists companies with funding, training, and export support to new markets through the EU4Business initiative. The EU supports the government in improving the country’s business and investment climate.
- The EU also supports Azerbaijan’s economic diversification agenda notably through support to education and regional development.

**STRONGER GOVERNANCE**

- Azerbaijan actively cooperates with the EU via Twinning. Over the past 10 years, 26 ministries and public institutions in Azerbaijan have taken part in 46 Twinning projects and as a result have benefited from EU technical know-how and from the practical experience of EU civil servants. This has contributed to developing and improving legislation in line with EU standards.
- Justice sector reform is one of the priority sectors for EU assistance to Azerbaijan, the goal being to support alternative dispute resolution, help fight corruption, and provide legal aid and better access to justice for citizens and businesses.
- The EU continues to stress the importance of defending human rights and ensuring civil society and freedom of media, expression, and assembly in Azerbaijan. The EU sees this as an essential part of EU-Azerbaijan relations and sustainable development of the country.

**STRONGER CONNECTIVITY**

- Azerbaijan is an important energy partner for the EU, currently supplying around 5% of the EU’s gas demand.
- Azerbaijan brings Caspian gas resources to the EU market through the Southern Gas Corridor.
- In 2016, the EU launched a new regional programme, EU4Energy, which supports Eastern Partnership countries, including Azerbaijan, in achieving their energy policy objectives and improving their energy efficiency.
- Azerbaijan benefits from its favourable location at the crossroads of transport connections linking North and South, and East and West. It has invested in important infrastructure projects such as the Port of Baku and the Baku-Tbilisi-Kars railway. The EU provides capacity-building support, for instance to the Port of Baku and its free-trade zone.

**STRONGER SOCIETY**

- The EU-Azerbaijan Visa Facilitation and Readmission Agreements entered into force in 2014, making it easier and cheaper for citizens of Azerbaijan, in particular frequent travellers, to acquire short-term visas that allow them to travel throughout most EU countries. In addition, for e.g. visas for Erasmus+ students are cost-free.
- Erasmus+ gave almost 900 students and academic staff from Azerbaijan the opportunity to study or teach in the EU countries between 2015 and 2017.
- Over 1,800 young people and youth workers from Azerbaijan have been involved in joint exchanges, volunteering, and capacity-building projects.
IMPORTANT ENERGY PARTNER

The EU is the biggest customer for Azerbaijani oil and oil transited through Azerbaijan. The Southern Gas Corridor is a strategic initiative to bring Caspian, Central Asian, and Middle Eastern gas resources to the European markets and is a key tool for enhancing the security of energy supplies in Europe. The infrastructure that will bring gas from the Caspian basin, notably from Shah Deniz II field, will build on the existing South-Caucasus pipeline from Azerbaijan via Georgia to Turkey; the Trans-Anatolian pipeline crossing Turkey and connecting Georgia with Europe; and the Trans-Adriatic pipeline transporting gas from the Turkish border to Italy via Greece and Albania. A giant offshore gas field in the Azerbaijani sector of the Caspian Sea, Shah Deniz II, will provide an initial ten billion cubic metres of gas per year to the European markets as of 2020.

MULTICULTURALISM

In December 2016, an International Conference on «Inter-religious tolerance and the role of media» was held in Baku, and a visit to the EU institutions in Brussels by the leaders from various religious communities in Azerbaijan was organised in September 2017. This was followed by a first «Imagine Euro Tolerance Festival» in Baku in October 2017 aimed at promoting the values of intercultural dialogue and tolerance through different expressions of art.

CONFLICT RESOLUTION

The unresolved Nagorno-Karabakh conflict remains an obstacle to stability and prosperity in the region. The EU, including through its Special Representative for the South Caucasus and the crisis in Georgia, supports and complements the efforts of the Co-Chairs of the OSCE Minsk Group to facilitate the resolution of the conflict. The EU also promotes confidence- and peace-building activities across the conflict divide, notably through the implementation of the programme European Partnership for the peaceful settlement of the conflict over Nagorno-Karabakh (EPNK).

IN FIGURES

The EU is the first trading partner, making up 48.6% of Azerbaijan’s total trade.

46 Twinning projects in 10 years: 26 completed, 13 ongoing, 7 in preparation.

€12 million of EU contribution triggered €222 million of loans to 14,000 Azerbaijani companies.