

April 12-13, 2016 JW Marriott Absheron Baku, Azerbaijan

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# Caspian and Black Sea **Agrarian congress**























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The plans of China to realize one of the most ambitious and expensive infrastructure projects «The Silk Road Economic Belt and the 21st-century Maritime Silk Road», providing investment inflows to both sea ports, and overland transport communication, will contribute to further strengthening of economic relations between the countries of Europe and Asia. At the same time, China holds firm to the strategy, which focuses on creation of a network of alternative routes.

Thus, the reporting logistics structure will draw in all countries, which are geographically located in the territory between China and Europe, including the countries of the Black Sea and Caspian Sea regions. In turn, the project will not only contribute to further cutting time of goods delivery, but also to economic development of the regions` countries, which to be integrated into the reporting transport system. First, such steps will allow raising investments to the infrastructure of the regions, and increasing the trade turnover between them. In particular, it concerns agricultural products, because the largest participants of the grain and oilseed markets are located in the Caspian and Black Sea region, such as Ukraine, Russia, Iran, Turkey, and Kazakhstan. In addition, such countries as Azerbaijan, Turkmenistan and Georgia have to partially cover the domestic demand for agricultural commodities through the imports, due to their specific natural and climatic characteristics.

The all-Ukrainian public organization Ukrainian Grain Association and the information-analytical agency APK-Inform are the organizers of the Caspian and Black Sea Agrarian Congress, which takes place in Baku (Azerbaijan) on April 12-13, 2016. The organizers work towards turning the Congress to become one of the most significant agricultural forums, linking the interests of Ukraine, the EU and many neighboring countries along the so-called New Silk Road, which affects trade routes of China, India, Iran, Turkey, Pakistan, Kazakhstan, Azerbaijan, Russia, Turkmenistan, etc. The Congress is rather excellent platform for discussion at the highest expert level on production and trading with grains, oilseeds and its by-products, fruit and vegetables in the region, and other most important issues related to infrastructural projects for agricultural products.

#### Major topics of the Congress:

- Global and regional production and trading with grains and oilseeds commodities
- Global market of fruit and vegetables. Position of Azerbaijan on the global market of fruit and vegetables
- Development of infrastructural projects in the region (ports, grain and container terminals, rail transport, etc.)
- Tariff and non-tariff barriers in trading with agricultural products in countries of the region
- Access to financial and technological resources
- Development of the market of agricultural machinery and agricultural chemistry
- Business dialogue between the Congress participants

Within frames of the Congress, there will be held the exhibition of investment projects, services and technical equipment for the agricultural sector.

Organizational partners: the European Bank for Reconstruction and Development (EBRD), Food and Agriculture Organization of the UN (FAO), World Bank Group /IFC.

General Sponsor: the company COLFUM-INVEST.

Under support: association Ukroliyaprom, Ukrainian Chamber of Commerce and Industry, association «Millers of Ukraine", and the international legal service Interlegal.



# COLFUM-INVEST Ltd. - General Sponsor of the Caspian and Black Sea Agrarian Congress





**COLFUM-INVEST Ltd.** is the General Sponsor of the Caspian and Black Sea Agrarian Congress, to be held in Baku, Azerbaijan, on April 12-13. We talked with one of the owners of COLFUM-INVEST Ltd., **Vidadin Kurbanov** on more detailed information about such position of the company as well as plans of the company further development, and many other things.

- Vidadin, in the very beginning of our conversation I would like to know what made Your Company to become a sponsor of the Caspian and Black Sea Agrarian Congress?

First of all, Azerbaijan is my homeland. So, the Caspian and Black Sea Agrarian Congress, which takes place in Baku, is not just an ordinary event for me. In addition, I am a regular participant of almost all conference events held by APK-Inform Agency and

the Ukrainian Grain Association, and I know the role of such meetings for members of the agrarian market. Therefore, combination of all above mentioned factors made COLFUM-INVEST to move from the category of participants to sponsors, and provide all possible support to the Congress.

- We will return to the Congress topic in our following conversation. In the meantime, I would like to kindly ask one of COLFUM-INVEST owners to inform us about the company in details...

I could talk endlessly about the company and its activities. However, our communication has the interview format, so I will focus on only the most significant features.

To date, the head office of COLFUM-INVEST is located in Nikolayev. The company operates on the Ukrainian grain market in the sphere of fumigation services since 2002. Disinfection (fumigation) of grain crops in order to prevent the risks associated with insect infestation, is the main activity of our company. At the same time, the range of our services continues expanding.

Our provided services meet all sanitary and hygiene, environmental and regulatory requirements, as well as safety requirements. Our company is licensed by the Ministry of Agrarian Policy and Food of Ukraine for "Performing fumigation (disinfection) of the materials and objects that move across the state border of Ukraine and quarantine zones», and has all necessary approval document. Also, we realize all works on goods fumigation in accordance with the requirements of the International Maritime Organization (IMO), the International Maritime Fumigation Organization (IMFO) and the Grain and Feed Trade Association (GAFTA). At the same time, we were the driving force of establishment of fumigation category in GAFTA, and realized the idea in negotiations with the President of the Association, Ronny Maas.

Also, it should be noted that the company COLFUM-INVEST is an exclusive representative of Detia Degesch GmbH (Germany) in Ukraine in the sphere of selling, installation and operating the J-System (Recirculation System). At the same time, all rendered services are performed with usage of the most modern equipment and preparations of Fostoksin, Magtoksin.

I would like to mention the fact that our company is closely working with the State Plant Quarantine Inspection Services of different countries. So, we possess the most up-to-date and reliable information about all phytosanitary requirements in the ports of cargo destination, which makes it possible to choose a right strategy of dealing with cargo being exported to any part of the world.

- To date, COLFUM-INVEST is one of the leaders in Ukraine in the sphere of fumigation services. Nevertheless, wou<mark>ld You specify the</mark> further plans of the company?

I should remind that due to the current political situation in Ukraine during 2 recent years, our company has been forced to leave the Crimea, and we are located in Nikolayev now. However, at the new location we have actually restored our laboratory for realization of phytosanitary examinations, and provided the necessary technical equipment and personnel in short period of time. To date, the laboratory is the most modern in Ukraine. The achieved results allow keeping our leadership positions, but it does not mean that we are completely satisfied with the results.

Continuation of expansion of the company's international network is the major plan of one of the company owners. To date, our companies, which are members of GAFTA, have been already working in the UK, Ukraine, Russia, the United Arab Emirates, and in the future, we are considering the possibility of launching of our network in



Egypt and Iran. At the same time, creating of the most convenient and comfortable service for traders is the main principle of our company, which remains unchanged.

# - Returning to the subject of the Caspian and Black Sea Agrarian Congress, what are the most important topics of the event for You?

First of all, it is an opportunity to establish new contacts with participants of the agrarian markets of the Asian countries. We are mainly interested in Iran, Saudi Arabia, the UAE, and India. I hope that the negotiations in Baku will find us new partners in the reporting countries, and open up new perspectives for our company and other Ukrainian traders who use services of COLFUM-INVEST.

#### - How would You estimate the prospects of Ukraine on the market of the Caspian region?

To date, Kazakhstan is indisputably the dominant player on the reporting market. Nevertheless, in my opinion, Ukraine has all opportunities to strengthen its positions as a supplier of agricultural products to the countries of the Caspian region. To date, Iran is actively looking for potential importers of grains and oilseeds, and in terms of the expected withdrawal of the country from the current economic sanctions, the reporting interest will even increase. And taking into account the high export potential and quite convenient logistics, Ukraine has a very good chance to settle on the market, and then expand its presence on the markets of Middle East and Central Asia.

# - And in conclusion, would You announce Your wishes to potential participants of the forthcoming Congress?

First of all, they should not miss the opportunity to visit one of the most dynamically developing countries of the world. In the shortest possible time, Azerbaijan is quite able to pass the way, held by Singapore and Hong Kong, and occupy the leading positions in the global economy. I have visited Azerbaijan for many times, and to date I see how the country has changed just in 3-5 recent years. During the reporting period, the country received significant investments in the economy, in particular to construction of new granaries, improvement of the port and logistics infrastructure. Naturally, it would be useful for Ukraine to adopt some similar experience.

In addition, I would note once again that the markets of Azerbaijan and Iran open up great prospects for Ukrainian agricultural products. And within frames of the Congress, it would be possible to establish new contacts with potential partners from the reporting countries of the region.

So, once again I would like to invite all participants of the grain market of Ukraine and other countries to participate in the Caspian and Black Sea Agrarian Congress, and I am sure that the event will be really fruitful. See you later in Baku!

Completing our conversation with Vidadin Kurbanov, we would like to add some comments of the partners of COLFUM-INVEST, which have the joint long and fruitful history of cooperation.

#### Volodymyr Klymenko, President of Ukrainian Grain Association

The company COLFUM-INVEST started working in Ukraine since 2002, and in the beginning of the following year it became a member of the Ukrainian Grain Association - COLFUM-INVEST received the certificate #117, confirming its membership in the UGA, on January 27, 2003. During 13 following years, COLFUM-INVEST headed by its permanent head Vidadin Kurbanov, passed rather difficult way of development of the grain market of Ukraine. And it did not just pass, but was one of the drivers of such development, and conquered the leading positions in provision of fumigation services.

At the same time, I would also like to note that during the reporting years Vidadin Kurbanov provided great help to the Ukrainian Grain Association. He is a member of our working group on development of the domestic grain market, as the leading consultant on fumigation. In particular, in many cases V.Kurbanov advised to UGA and helped to solve many problems in the reporting sphere in such countries as Egypt, Morocco, the United Arab Emirates, etc.

And, of course COLFUM-INVEST is the active participant in all conference activities undertaken by our Association. So, I am delighted that the company became the General Sponsor of the Caspian and Black Sea Agrarian Congress, and provided considerable support in preparations for the forum.



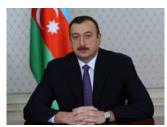
# Tamara Podbereznyak, President of the Fumigation association, All-Ukranian public organization

First of all, I would like to say that the company COLFUM-INVEST, with which we have been cooperating for more than 10 years, was one of the founders of our association. During the reporting years, the Head of the company, Vidadin Kurbanov, used his vast experience and brought COLFUM-INVEST and the fumigation industry of Ukraine to the level of international standards.

And the company keeps the level even in the current difficult circumstances, when due to the well-known reasons, it had to leave its former base in Kerch. But even after movement to Nikolayev, COLFUM-INVEST managed to almost completely restore its operations and maintain its position as the leader in provision of fumigation services on the Ukrainian market.

And, of course, I am very pleased that the leader of the Ukrainian fumigation became the General Sponsor of the Caspian and Black Sea Agrarian Congress. I am sure that such support will make the work of the Congress even more productive and qualitative.

# Azerbaijan stimulates works on the transport corridor «North-South»



Azerbaijan will hasten construction works of its section of the international transportation corridor «North-South» (INSTC). In December 2015, the President of Azerbaijan, Ilham Aliyev signed the corresponding resolution.

The broad potential of trade relations between the countries-founders of the International North-South Transport Corridor (Russia, Iran and India) requires using of all favorable transit opportunities of Azerbaijan as a member of the reporting corridor, as well as realizing of urgent work to coordinate the railway networks of both Azerbaijan and Iran, according to the document.

In particular, Azerbaijan Railways LTD will deal with design and construction of the railway lines from the railway station Astara in Azerbaijan to the border with Iran, and the railway bridge across the river Astara.

# In 2015, Azerbaijani agricultural sector reached its qualitatively new stage of development



Announcement of 2015 as the «International Year of Soils» by the UN and the «Year of Agriculture» in Azerbaijan, which joined the global challenges, and expression of the state care to the agricultural sector, formed the basis for reaching of the qualitatively new stage of development in the reporting sphere, declared the Minister of Agriculture of Azerbaijan, Heydar Asadov on January 6.

In the reporting fiscal year, the Government applied the regime of saving of budgetary expenditures in rather globally scales, including the growth of state support for development of agriculture in the country and its further expansion. The discounts for

mineral fertilizers, sold to farmers, were increased from 50% to 70%, and the upper limit of the preferential sum was raised from 50 AZN/ha to 80 AZN/ha, which resulted in some increasing of the volumes of imported fertilizers in comparison with previous years, from 85 thsd tonnes to 150 thsd tonnes. Such results form the major step towards achieving of the level of developed countries, the Minister said.

Also, H.Asadov noted that the Government made decision on granting of subsidies and preferences for the second planting works since the current season, i.e., it was decided to issue the second subsidy to those farmers who make two planting campaigns during the year, which will play its special role in strengthening of the country's food security.

According to the Minister, in term of strengthening of the state support, the Government adopted nearly 100 regulations, realized significant measures to increase transparency in the market segment, in order to improve its mechanism.

# Ukraine launches container train to China through Azerbaijan and Kazakhstan

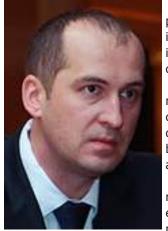


The first demonstration run of container train by the way of Ukraine - Georgia - Azerbaijan - Kazakhstan - China (via the Caspian Sea and Black Sea) will be launched on January 16 from Illichivsk, declared the Prime Minister of Ukraine, Arseniy Yatsenyuk on January 13.

The reporting route is a new direction of «Silk Road» and the alternative, which will allow redirecting commodity traffic flows to the easterly direction, bypassing the Russian territory. It includes the ferry crossings of Black and Caspian Seas (Illichivsk-Batumi and Aliat-Aktau Port), and to become competitive in comparison with the traditional overland route.

CASPIAN AND BLACK SEA AGRARIAN CONGRESS

# Ukraine to develop its irrigation system on the basis of investment projects



Restoration and development of the domestic irrigation systems should become the priority issue of agricultural policy. First of all, the Government has to modernize the irrigation system in the south of Ukraine. In particular, the general areas of additional irrigation with available capacities will possibility total 635 thsd ha, declared the Minister of Agrarian Policy and Food of Ukraine, Oleksiy Pavlenko.

According to him, increasing of the irrigated areas should be realized through modernization and reconstruction of irrigation on the internal farm lands. Designing and construction of new systems is necessary to realize at the second stage of irrigation development. In addition, modernization and reconstruction of irrigation systems should be based on usage of new methods and technologies of irrigation, drip irrigation systems, and low-pressure sprinkler systems.

The Minister stressed that it is necessary to realize a series of measures aimed at reducing the cost of electric power for irrigation. In particular, it is necessary to transfer electricity bills of water supplying for irrigation at the tariffs for 1-class consumers, and make irrigation operations at night with payment for power supplying at reduced rates,

etc. Such actions make it possible to reduce the power costs by 30-50%.

Renovation and development of the irrigation system should be realized on the basis of investment projects. Irrigation efficiency and return of investments will also be provided through growing of highly profitable crops, added O.Pavlenko.

# New Silk Road to become a competitive network of different transport routes

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The basic idea of the New Silk Road consist of creating of a competitive network of various transportation routes with completely different logistics, declared the Minister of Foreign Affairs of Ukraine Pavlo Klimkin.

According to him, the idea of the New Silk Road is that it is not a single railroad line, which goes through specific ports, or two lines, compared with the former Trans-Siberian route.

At the same time, he recalled that within frames of the OSCE ministerial meeting in Belgrade, there was also held the ministerial meeting of the GUAM (Georgia, Ukraine, Azerbaijan, Moldova). The parties agreed to work with China and Japan in the GUAM format, taking into account the Azerbaijani, Georgian, Moldavian and Ukrainian opportunities.

P.Klimkin stressed that it is the issue of competitiveness of Ukrainian transport ways. There are many parties willing to work with Ukraine. The country should just demonstrate that the Ukrainian logistics work quite efficiently.

### Baku-Tbilisi-Kars transport corridor to start working as fast as possible



The transport corridor, which also includes the rail lines project of Baku-Tbilisi-Kars (BTK), should be launched as quickly as possible, declared the Prime Minister of Turkey, Ahmet Davutoğlu.

According to him, the reporting issue was discussed at the level of the leaders of Turkey, China and Azerbaijan. Due to the BTK project, the historical Silk Road will be revived.

Also, the Prime Minister noted that the sum of Turkish investments to Azerbaijan's economy totaled 9 bln USD, and Azerbaijan invested 4 bln USD in Turkey.

A.Davutoğlu hoped that the level of mutual investments would reach 20 bln USD, and the trade volume - 15 bln USD. Both countries will make every effort to reach the reporting goals.



# INFORMATION FOR PARTICIPANTS

# Conditions of participation in the Caspian - Black Sea Agrarian Congress

### Registration fee for one participant

USD*	TERMS OF PAYMENT
550	Until February 15
690	After February 15

<sup>\*</sup> Excluding bank fees

5% discount is provided for the second, third and more delegates from the company.

#### Registration fee includes:

- participation of one delegate in the conference work;
- receiving of informational materials of the conference (conference catalogue during the conference, reports and presentations after the conference);
  - placement of the company's business card in the conference catalogue;
  - coffee-breaks, lunches;
  - welcome reception in honour of the participants;
  - entertainment programme.

#### Additional opportunities for participants:

- Participation as the conference sponsor
- Placement of advertisement in the conference catalogue
- PR-events before and during the work of the Congress
- Providing of consulting services by the Agency's specialists during preparation to the event
- Assistance in establishing the business contacts between the conference participants before the conference and during its work

**Terms of payment:** 100% prepayment as per the invoice issued by the organizer according to the participant's application.

The conference organizers provide accommodation for additional fee.

More detailed information concerning participation, sponsorship and making a presentation is provided by the organizational committee:

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