

The Coordinating Council of the Republic of Azerbaijan on Transit Freight

Ordinance № 02

Baku, 3 December 2015

On regulation of the tariffs for services regarding the transit transportation of oil, oil products and trucks through the territory of Azerbaijan

Taking into account the proposals of the "Azerbaijan Railways" CJSC, the "Azerbaijan Caspian Shipping" CJSC and the country's sea terminals, in accordance with the subparagraph 2.0.1 and paragraph 4.6 of the "Charter of the Coordinating Council of the Republic of Azerbaijan on Transit Freight" approved by the Decree №. 655, dated October 21, 2015, of the President of the Azerbaijan Republic, the Coordinating Council of the Republic of Azerbaijan on Transit Freight DECIDES:

To approve the upper limit of tariffs for transit transportation services of oil and oil products by railway to the different directions through the territory of the Republic of Azerbaijan. (Appendix 1).

To approve the upper limit of tariffs for transit transportation services of oil and oil products by vessels sailing under the flag of the Republic of Azerbaijan, as well as the foreign-flagged vessels operated by the resident of the Republic of Azerbaijan and non-resident owning branches and offices. (Appendix 2).

To approve the upper limit of tariffs regarding transshipment services of the marine terminals for the transit transportation of oil and oil products. (Appendix 3).

The tariffs approved by the paragraphs 1-3 of this ordinance include all payments related to oil and oil products, transit transportation of trucks and the transshipment services of these cargoes.

30% discounts may be applied to the tariffs approved by paragraphs 1-3 of this ordinance by the relevant service providers. In order to promote attraction of additional freight to the transit corridors the Coordinating Council of the Republic of Azerbaijan on Transit Freight upon submission of applications by relevant service providers may consider provision of discounts exceeding 30 percent for transit cargo transportation and transshipment services.

The freight forwarding expenses for the transportation of transit cargo transportation of oil and oil products and trucks and the transshipment services of these cargoes are calculated by making additions up to 2 percent on the tariffs approved by the paragraphs 1-3 of this ordinance.

The cost of the contract price of the transportation of transit cargo of oil and oil products and trucks and the transshipment services should not exceed the generally approved tariffs and the freight forwarding expenses.

It should be taken into account that the tariffs for the opposite directions in the transportation of transit cargo of oil and oil products and trucks are identical with the approved tariffs on the relevant directions.

The Secretariat of the Tariff (price) Council of the Republic of Azerbaijan should take necessary measures regarding the issues arising from this ordinance.

This decision shall enter into force upon signature.

Chairman of the Coordinating Council of the Republic of Azerbaijan on Transit Freight

Shahin Mustafayev