

**PROJECT**  
**"MODERNIZATION OF SUSTAINABILITY AND EFFICIENCY OF ICT INFRASTRUCTURE AND**  
**ICT SERVICES IN THE REPUBLIC OF AZERBAIJAN"**  
**COMMITTEE MEETING MINUTES**  
**ON**  
**ADDITION OF NEW PROJECT COMPONENT**  
**"ESTABLISHMENT OF THE DATA CENTER IN AZERBAIJAN"**

**Date:** 18 September 2013

**Venue:** UNDP office

**Chair:** Nato Alhazishvili

**Participants:**

Ms. Nato Alhazishvili, Deputy Resident Representative

Ms. Jamila Ibrahimova, Assistant Resident Representative

Mr. Subhan Ahmadov, Operation Manager

Mr. Elnur Khalilov, Programme Adviser

Mr. Chingiz Mammadov, Senior Programme Adviser

Mr. Vugar Allahverdiyev, Programme Adviser

Ms. Leyla Fathi, Programme Associate

Mr. Mezhahim Guliyev, Chief Specialist of the International Relations and Accounting Center, the Ministry of Communications and Information Technologies of the Republic of Azerbaijan

Mr. Hafiz Hajiyev, Head of Traffic Analysis and Marketing Department of the International Relations and Accounting Center, the Ministry of Communications and Information Technologies of the Republic of Azerbaijan (MoCIT)

**Project Presenter:** Mr. Nariman Hajiyev, National Project Manager

**1. Introduction**

**Ms. Nato Alhazishvili** welcomed participants and noted that the purpose of the appraisal committee meeting is to review the new project component - Establishment of the Data Center in Azerbaijan - and suggest any amendments/changes before it is included as a new component into the "Modernization of Sustainability and Efficiency of ICT infrastructure and ICT services in the Republic of Azerbaijan" project.

**2. Presentation of the new project component**

**Mr. Nariman Hajiyev** informed meeting participants that the MCIT has come up with an initiative to establish a Data Centre in Azerbaijan that will help Azerbaijan to turn into a world class Information Hub. The Data Centre is also an important element for the promotion of the Trans-Eurasian Information Superhighway as it can provide services to other countries, including those on the TASIM route. Considering that UNDP is the lead international organization that supports promotion of ICT and has an ongoing project with MCIT in support of the EuraCA/TASIM "Modernization of Sustainability and Efficiency of ICT infrastructure and ICT services in the Republic of Azerbaijan", it is proposed to incorporate the Data Centre component into the current project. In this regard, an official letter from Mr. Ali Abbasov, Minister of Communications and Information Technologies, was forwarded to UNDP.

**Mr. Hajiyev** made a comprehensive presentation on Data Center. He stressed that functioning of the Data Center that has TIER III reliability level and supports TIA-942 Telecommunication Infrastructure Standard (the standard includes: stand-by cooling, stand-by billing, stand-by power and stand-by network links) as a “Telehouse” will enable the international operators to implement trafficking and data exchange operations by using resources of the Center. Also, **Mr. Hajiyev** stated that it will be the first Data Center in the Caucasus region.

### 3. Summary of discussions

The floor was given to **Mr. Mezahim Guliyev** for his comments and suggestions. He informed participants that the MCIT will provide support to the implementation of this new project component. He also underlined that establishment of Data Center in Azerbaijan will combine following technological innovations:

- have an impact on economic growth turning Azerbaijan into a transit junction (hub) of information exchange between Europe and Asia;
- guarantee information security of telecommunication operators, businesses and IT companies by meeting ISO/IEC-27001 Standard;
- provide rent of its equipments for stakeholders and customers.

**Ms. Alhazishvili** asked about the funding of establishment of Data Center and **Mr. Guliyev** responded that financing of establishment of Data Center initiative will be initially covered by MCIT and afterwards it will operate based on profits of the relevant center.

Answering to the question of **Mr. Khalilov** concerning the reasons of why the preference was given to TIER III reliability level, **Mr. Guliyev** stated that at present TIER III reliability level fully meets requirements and needs of Azerbaijan and in future it can be easily upgraded up to TIER IV level. Also, **Mr. Guliyev** noted that TIER IV reliability level requires much more funding, and currently only three companies in the world - Facebook, Google and Amazon have Data Centers of this level reliability.

**Mr. Ahmadov**, in turn, put a question about the ways of establishment of back-up equipment of future Data Center. In his reply to the mentioned question **Mr. Guliyev** underlined that the back-up equipment will be implemented according to 1+1 model and placed in the same building with the basic Data Centre equipment and it is a standard method applied worldwide while establishing Data Centers. As an example, **Mr. Guliyev** told about the one of the biggest Data Centers situated in Frankfurt where the similar scheme has been implemented and successfully operates for a long time. Only few months ago they decided to upgrade their system and move back-up equipment to another place located 40 km distance from the main Data Centre building.

During his speech, **Mr. Hafiz Hajiyev** mentioned about the linkage between the future Data Center and Eurasian Connectivity Alliance to be established in Azerbaijan. According to him, running the Data Center, which will be the most secure data storage centre in the region, particularly in Caucasus, provides great opportunities for strengthening competitiveness of Azerbaijan in international ICT level. Therefore, this project component will create all necessary prerequisites for transforming Azerbaijan into transit point of data exchange between Europe and Asia and make significant influence on economic development and availability of innovative services.

Taking into account the establishment of EurACA in the nearest future, the new Data Centre with TIER III level will also significantly improve general competitiveness of Azerbaijan abroad, because it will create all necessary technical conditions for provision of new ICT services from next year. Establishment of Data Center will be an important breakthrough in ICT field of Azerbaijan and will positively affect country's economic development including creation of new jobs.

During discussions it was agreed that new Project component will be implemented using UNDP supports services modality for procurement, recruitment, travel and etc.

In conclusion, **Ms. Nato Alhazishvili** thanked everybody for their contribution and noted that she is very glad that UNDP Azerbaijan will jointly implement the new project component - Establishment of the Data Center in Azerbaijan - within the framework of the "Modernization of Sustainability and Efficiency of ICT infrastructure and ICT services in the Republic of Azerbaijan" project with the MoCIT.

#### **4. Follow-up Actions**

The committee approved the inclusion of a new component - Establishment of the Data Center in Azerbaijan - into the "Modernization of Sustainability and Efficiency of ICT infrastructure and ICT services in the Republic of Azerbaijan" project.

#### **5. Decision**

The LPAC decided to recommend approval of the new project component- Establishment of the Data Center in Azerbaijan.

Prepared by: Signature \_\_\_\_\_



Mr. Elnur Khalilov, Programme Adviser

Approved by: Signature \_\_\_\_\_



Ms. Nato Alhazishvili, Deputy Resident Representative