



DISCOVER YOUR WAY TO AZERBAIJAN



VALUE PROPOSITION

**PROVEN TRACK
RECORD**

STATE OF ECONOMY

2017



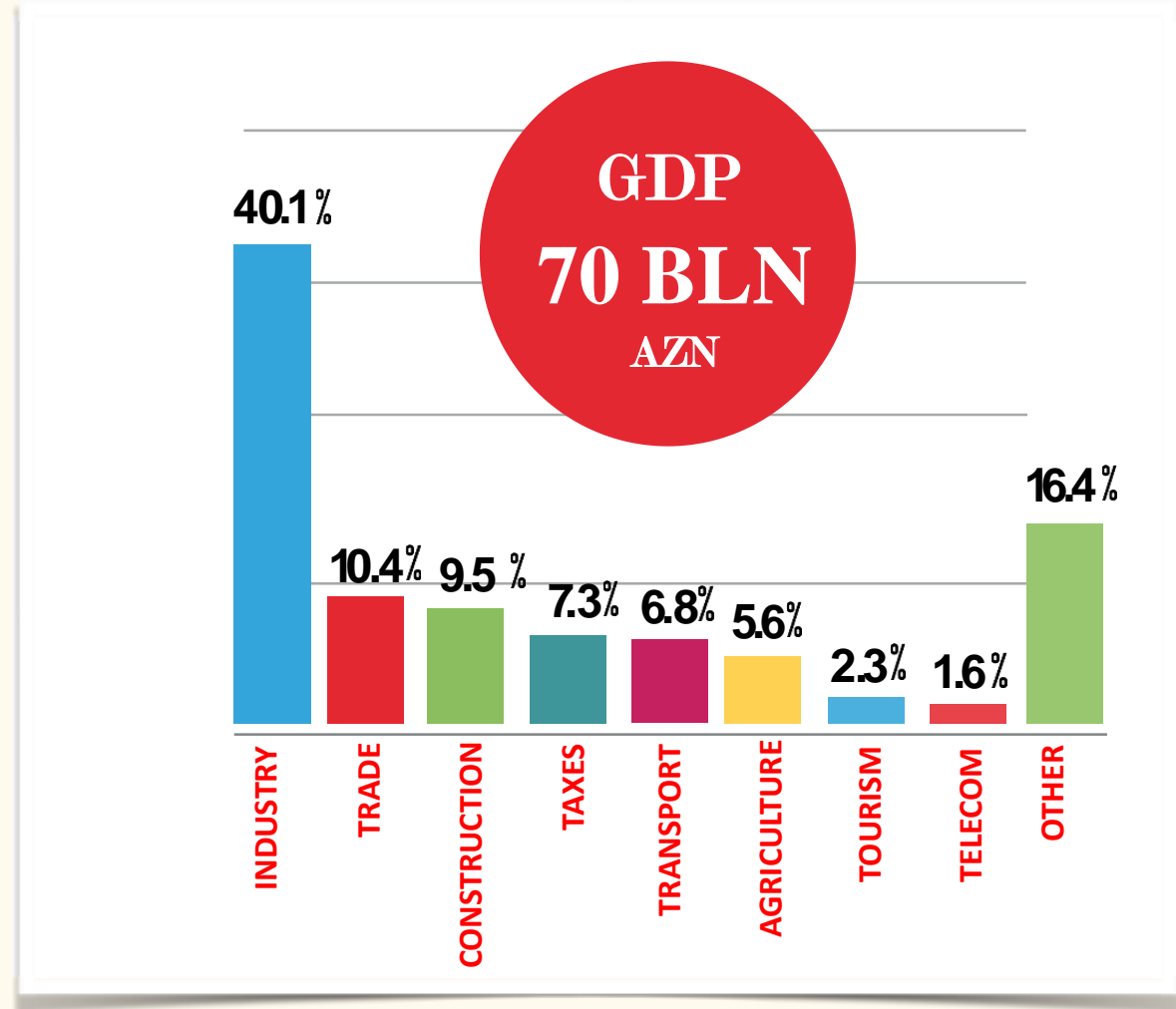
17,857 USD
GDP PER CAPITA



9 890 000
POPULATION



7 BLN USD
EXTERNAL PUBLIC DEBT



ECONOMIC DIVERSIFICATION

DIVERSIFICATION OF ECONOMY AND DEVELOPMENT OF NON-OIL SECTORS AS A KEY STRATEGIC PRIORITY

PRIORITY AREAS

AGRICULTURE & FOOD

SMES & CONSUMER GOODS

HEAVY INDUSTRY & MACHINERY

TOURISM

LOGISTICS & TRADE

HOUSING

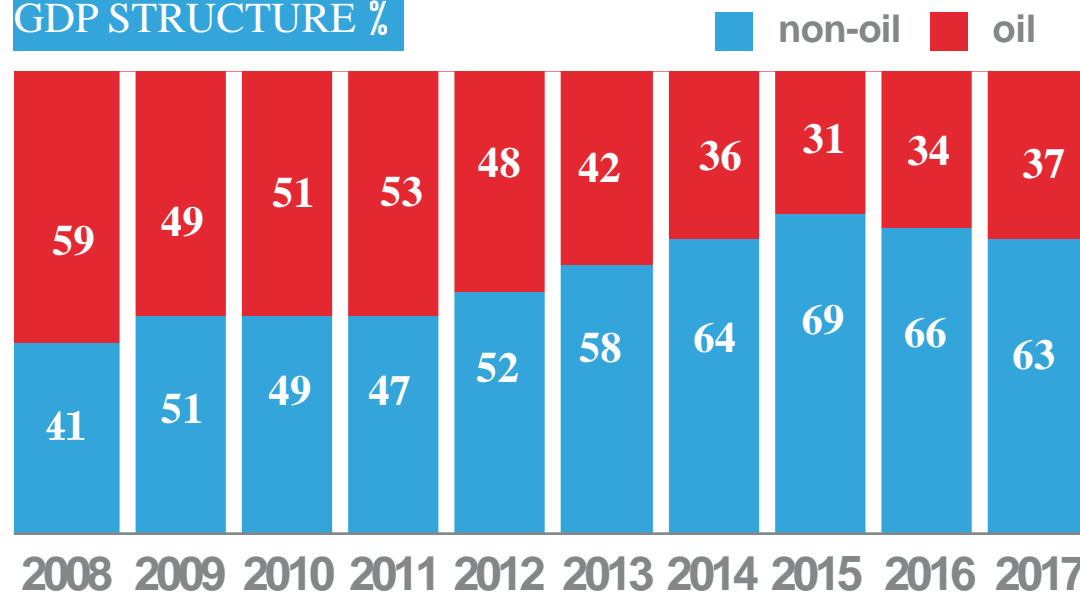
VOCATIONAL EDUCATION

FINANCIAL SERVICES

TELECOMMUNICATION & IT

UTILITIES

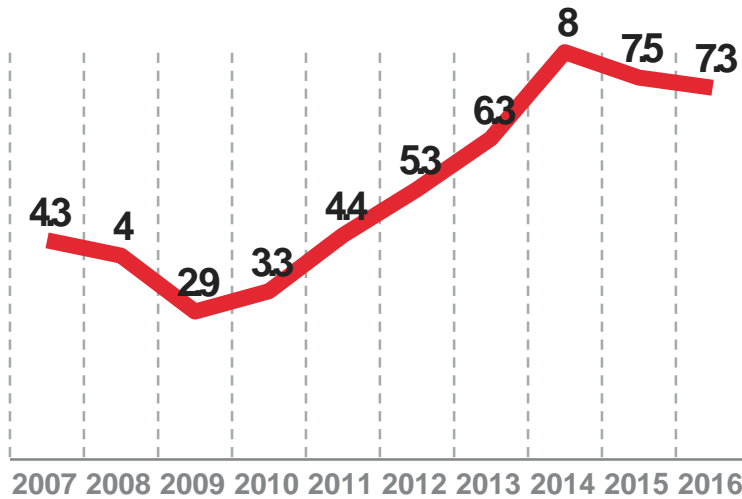
GDP STRUCTURE %



PROVEN INVESTMENT DESTINATION

TOP FOREIGN INVESTORS IN NON-OIL INDUSTRIES

FOREIGN DIRECT INVESTMENT BLN \$



TURKEY



UK



USA



NETHERLANDS



UAE



GERMANY

TOP NON-OIL RECIPIENT SECTORS



INDUSTRY
57%



CONSTRUCTION
15%



TRADE
13%



TRANSPORT AND
COMMUNICATION
10%



OTHER
5%

PROVEN TRADING PARTNER

US\$ 13.81 BLN

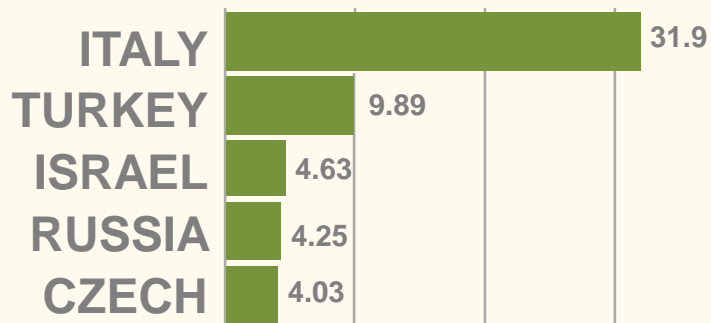
TOTAL VALUE OF
EXPORTS

2017

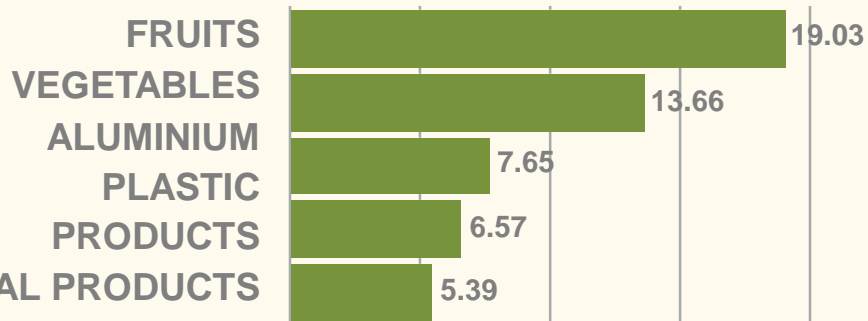
US\$ 8.78 BLN

TOTAL VALUE OF
IMPORTS

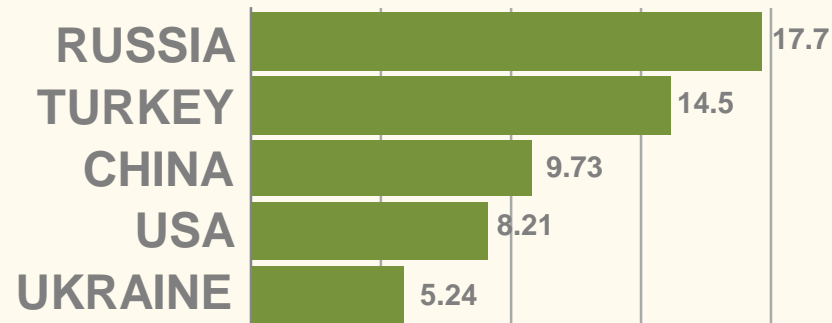
■ TOP 5 EXPORT MARKETS (%)



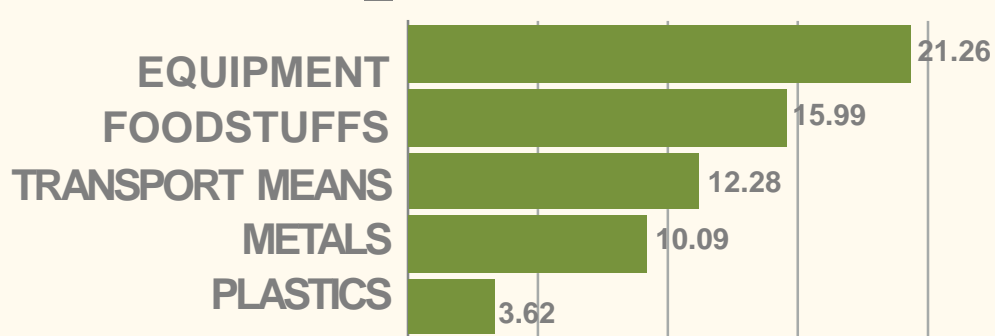
■ TOP 5 NON-OIL EXPORT PRODUCTS (%)



■ TOP 5 IMPORT (%)















■ TOP 5 IMPORT PRODUCTS (%)



COMPETITIVENESS

The Global Competitiveness Report 2017-2018

AZERBAIJAN

Index Component	Rank/137	Score (1-7)
Global Competitiveness Index	35	4.7
Subindex A: Basic requirements	47	4.9
 1st pillar: Institutions	33	4.6
 2nd pillar: Infrastructure	51	4.5
 3rd pillar: Macroeconomic environment	65	4.8
 4th pillar: Health and primary education	74	5.7
Subindex B: Efficiency enhancers	46	4.4
 5th pillar: Higher education and training	68	4.5
 6th pillar: Goods market efficiency	31	4.8
 7th pillar: Labor market efficiency	17	5.0
 8th pillar: Financial market development	79	3.8
 9th pillar: Technological readiness	56	4.6
 10th pillar: Market size	63	4.0
Subindex C: Innovation and sophistication factors	33	4.2
 11th pillar: Business sophistication	40	4.4
 12th pillar: Innovation	33	4.0



AZERBAIJAN
#35



RUSSIA
#38



KAZAKHSTAN
#57



GEORGIA
#67



TAJIKISTAN
#79



UKRAINE
#81



MOLDOVA
#89



KYRGYZSTAN
#102



VALUE PROPOSITION

CONNECTIVITY

HUGE SURROUNDING MARKET

GLOBAL OUTREACH

**50 COUNTRIES WITH 50 % OF WORLD CONSUMERS WITHIN 4 HOURS FLIGHT
(MEDIUM-HAUL FLIGHT)**

FREE ACCESS

**TO CIS + GEORGIA MARKETS OF 270 MIL CONSUMERS AND OVER 1.6 TRILLION
US\$ GDP**

TRANSIT HUB

AT EAST-WEST, SOUTH-NORTH AND SOUTH-WEST TRANSIT ROUTS

UNIQUE ACCESS

TO THE UNTAPPED MARKETS OF IRAN, AFGHANISTAN, IRAQ

EFFECTIVE TIME SAVING ROUTES



WELL DEVELOPED INFRASTRUCTURE

- ✓ 15 THSD KM OF **ROADS AND HIGHWAYS** CONSTRUCTED AND REHABILITATED
- ✓ 6 INTERNATIONAL **AIRPORTS**
- ✓ **BAKU-TBILISI-KARS** RAILROAD (“THE IRON SILKWAY”)
- ✓ NEW **BAKU INTERNATIONAL SEA TRADE PORT** WITH CAPACITY OF 10-11.5 MLN TONS OF CARGO AND 50 THSD TEU (TO BE INCREASED UP TO 21-25 MLN TONS OF CARGO AND 1 MLN TEU)
- ✓ CARGO TRANSPORTATION VIA **TRACECA** CORRIDOR INCREASED BY 1.3 TIMES





VALUE PROPOSITION

BUSINESS ORIENTED

WB DOING BUSINESS REPORT 2018

OVERALL RANKING

57 / 190

STARTING A BUSINESS

18 / 190

REGISTERING PROPERTY

21 / 190

PAYING TAXES

35 / 190

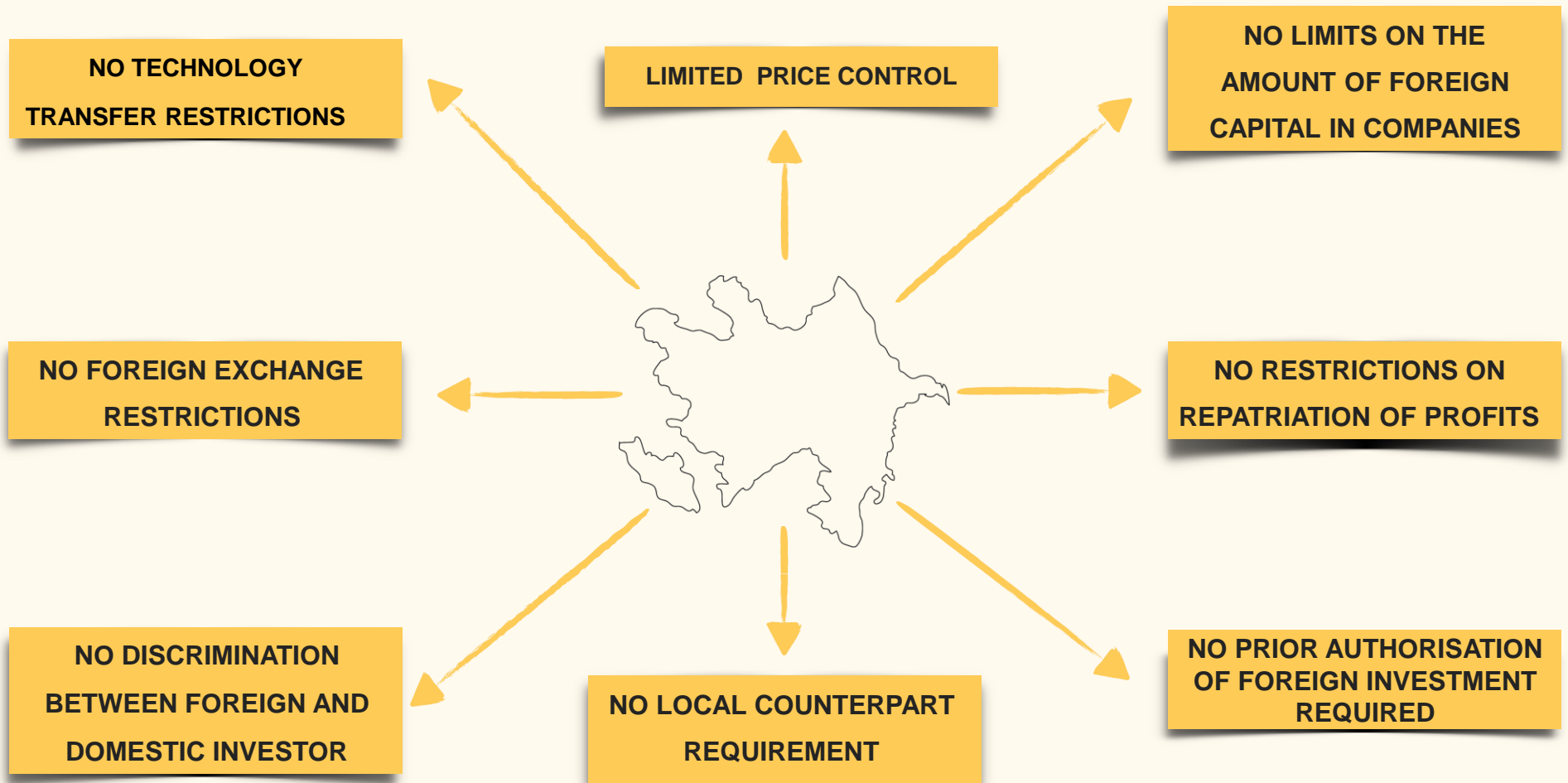
PROTECTING INVESTORS

10 / 190

ENFORCING CONTRACTS

38 / 190

INVESTMENT CLIMATE



INVESTMENT INCENTIVES

HOLDERS OF INVESTMENT PROMOTION DOCUMENT

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50% REDUCED CORPORATE TAX

0% LAND AND PROPERTY TAX

0% VAT ON HARDWARE, TECHNOLOGICAL EQUIPMENT AND STRUCTURES IMPORTED BY IPD HOLDERS

0% CUSTOMS DUTY ON HARDWARE, TECHNOLOGICAL EQUIPMENT AND STRUCTURES IMPORTED BY IPD HOLDERS

RESIDENTS OF INDUSTRIAL AND TECHNOLOGY PARKS

7
Y
E
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S

0% CORPORATE TAX

0% LAND AND PROPERTY TAX

0 VAT ON HARDWARE, TECHNOLOGICAL EQUIPMENT AND STRUCTURES IMPORTED BY RESIDENTS

0% CUSTOMS DUTY ON HARDWARE, TECHNOLOGICAL EQUIPMENT AND STRUCTURES IMPORTED BY RESIDENTS



SECTOR OPPORTUNITIES

- ✓ **AGRICULTURE**
- ✓ **FOOD INDUSTRY**
- ✓ **TOURISM**
- ✓ **ICT**
- ✓ **CHEMICALS**
- ✓ **MACHINERY**



SECTOR OPPORTUNITIES

AGRICULTURE

AGRICULTURE



TAX FREE



DUTY FREE ACCESS TO LARGE CONSUMER MARKETS



MODERN INFRASTRUCTURE



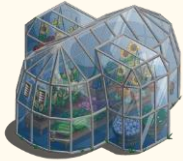
DIVERSIFIED NATURAL ENVIRONMENT



AMONG TOP 20 GLOBAL PRODUCERS OF: **SOUR CHERRIES, CHESTNUTS, CRANBERRIES, CURRANTS, FIGS, HAZELNUTS, PERSIMMONS, QUINCES, RASPBERRIES**

AGRICULTURE

INVESTMENT OPPORTUNITIES



GREENHOUSE VEG &
FRUIT PRODUCTION



MEDICINAL
HERBS



AQUACULTURE
FARMS



INTENSIVE FRUIT
ORCHARDS



ESSENTIAL
(FLOWER) OILS



APICULTURE



VITICULTURE



POULTRY FARMS



SEED PRODUCTION



TEA GROWING



MEAT FARMS



FEED PRODUCTION



SAFFRON
PRODUCTION



DAIRY FARMS



SECTOR OPPORTUNITIES

FOOD INDUSTRY

FOOD INDUSTRY (2016)

3.3 BLN AZN

FOODS TUFF PRODUCTION

191 M AZN

BEVERAGE PRODUCTION

36.6%

OF MANUFACTURING SECTOR

2.3%

OF MANUFACTURING SECTOR

391

ENTERPRISES

119

ENTERPRISES

MAJOR PRODUCTS

- MEAT & MEAT PRODUCTS
- DAIRY PRODUCTS
- VEGETABLE OILS
- CANNED FRUITS & VEGS
- SUGAR
- CONFECTIONARY
- FLOUR
- PREPS. OF CEREALS
- SALT
- TEA
- NON-ALCOHOLIC BEVERAGES
- STILL & SPARKLING WATER
- WINE
- OTHER ALCOHOLIC BEVERAGES

FOOD INDUSTRY

INVESTMENT OPPORTUNITIES



BEVERAGES



HONEY



BABY FOOD



MEAT PRODUCTS



VEGETABLE OILS



BAKERY PRODUCTS



DAIRY PRODUCTS



DRIED FRUITS



CANNED FOODS



FISH PRODUCTS



CONDIMENTS



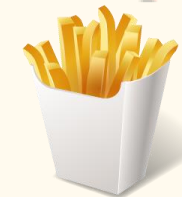
FRUIT JAMS



CONFECTIONARY



SPICES



SNACK FOODS



SECTOR OPPORTUNITIES

TOURISM

TOURISM

MOST-IMPROVED COUNTRY IN THE TRAVEL & TOURISM COMPETITIVENESS INDEX 2017

World Economic Forum, The Travel & Tourism Competitiveness Report 2017

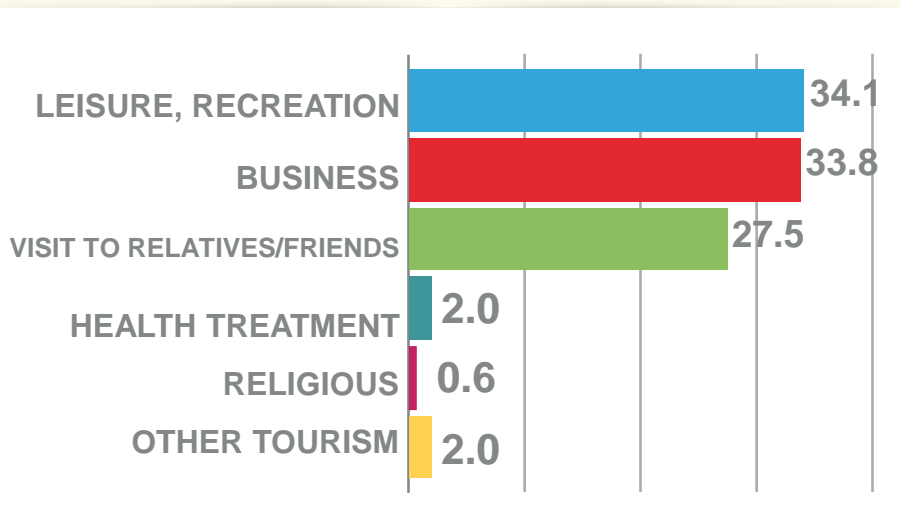
17TH IN THE WORLD FOR THE TRAVEL & TOURISM LONG-TERM GROWTH FORECAST 2017-2027

World Travel & Tourism Council, Travel & Tourism Economic Impact 2017: Azerbaijan

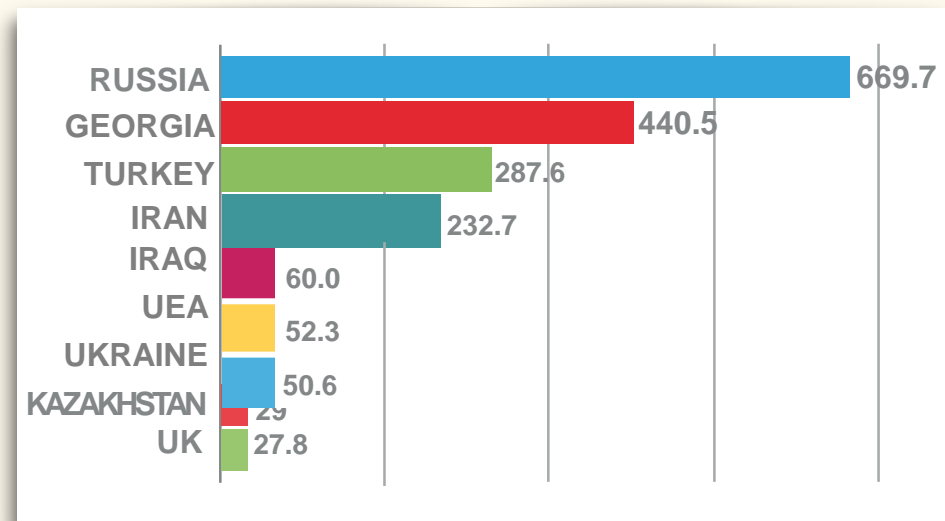


BAKU AMONG TOP 10 WORLD DESTINATIONS ON THE RISE 2016

TOURISTS BY PURPOSE (%), 2016



TOURISTS BY COUNTRY (THSD %), 2016



TOURISM

INVESTMENT OPPORTUNITIES



HOTELS



ONLINE SERVICES



RECREATION ZONES



EVENTS AND CONFERENCES



ADVENTURE FACILITIES



RESTAURANTS AND CATERING



ENTERTAINMENT FACILITIES



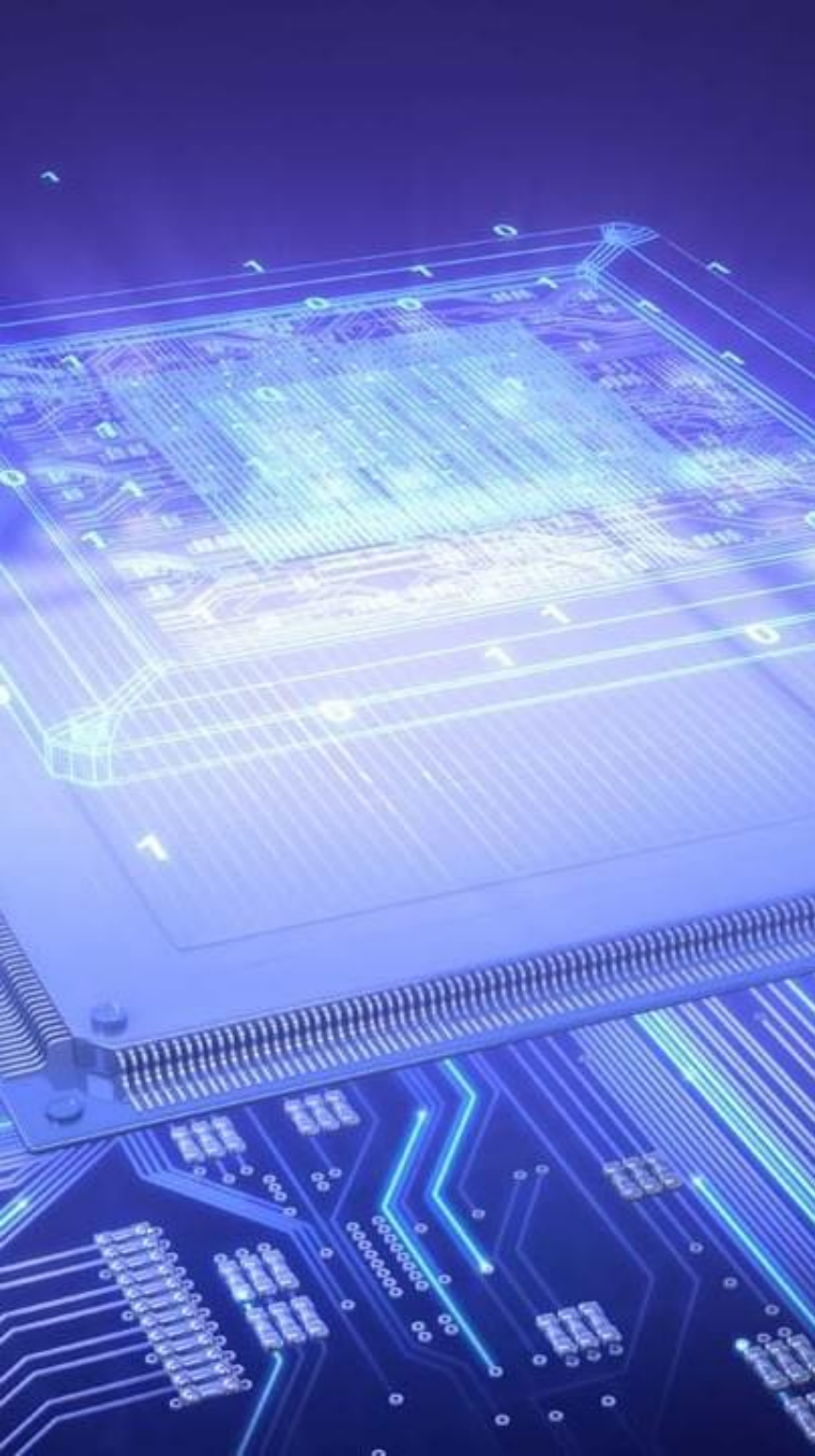
SOUVENIR PRODUCTION



TRAVEL AGENCIES



SHOPPING



SECTOR OPPORTUNITIES

ICT

ICT



GLOBAL INFORMATION TECHNOLOGY REPORT 2016

MOBILE NETWORK COVERAGE	1/139
GOVERNMENT SUCCESS IN ICT PROMOTION	8/139
ICT USE AND GOVERNMENT EFFICIENCY	12/139
LAWS RELATING TO ICT	24/139
ICT USE FOR B2B TRANSACTIONS	38/139
IMPACT OF ICT ON ACCESS TO BASIC SERVICES	42/139
FIXED BROADBAND INTERNET SUBSCRIPTIONS	45/139
CAPACITY FOR INNOVATION	53/139

ICT

INVESTMENT OPPORTUNITIES



INNOVATION TECHNOLOGIES



START-UP AND VENTURE FINANCE



RESEARCH & DEVELOPMENT



3D PRINTING



HARDWARE PRODUCTION



E-EDUCATION



SOFTWARE DEVELOPMENT



E-HEALTH



DATA CENTERS



DIGITAL ENTERTAINMENT



SECTOR OPPORTUNITIES







CHEMICALS

CHEMICALS

INVESTMENT OPPORTUNITIES

SUMGAI T CHEMICAL INDUSTRIAL PARK

INDUSTRIES

-  AGRICULTURAL & MEDICAL CHEMICALS
-  CONSUMER CHEMICALS
-  CONSTRUCTION MATERIALS
-  ELECTRONICS & AUTOMOTIVE INDUSTRY CHEMICALS
-  POLYMER BASED PRODUCTS
-  PRODUCTION OF INDUSTRIAL EQUIPMENT

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0 % CORPORATE TAX

0 % LAND AND PROPERTY TAX

0 % VAT ON HARDWARE, TECHNOLOGICAL EQUIPMENT AND STRUCTURES IMPORTED BY RESIDENTS

0% CUSTOMS DUTY ON HARDWARE, TECHNOLOGICAL EQUIPMENT AND STRUCTURES IMPORTED BY RESIDENTS



SECTOR OPPORTUNITIES

**MACHINERY AND
EQUIPMENT**

MACHINERY

INVESTMENT OPPORTUNITIES



**PETROLEUM INDUSTRY
EQUIPMENT**



HEATING BOILERS



AGRICULTURAL EQUIPMENT



CAR OIL AND AIR FILTERS



FOOD INDUSTRY EQUIPMENT



POWER ACCUMULATORS



CONSTRUCTION MACHINERY



LED BASED LIGHT BULBS



**POWER AND ENERGY
EQUIPMENT**



SMART HOME DEVICES



SECTOR OPPORTUNITIES

PRIVATISATION

ASSETS OPENED FOR PRIVATISATION



INDUSTRY

142



HEALTHCARE

14



AGRICULTURE

58



TOURISM

32



SERVICES

65



EDUCATION

13

WWW.PRIVATIZATION.AZ

PRIVATISATION - INDUSTRY

MINING, METALLURGY, ALUMINIUM PRODUCTION



MACHINERY



SMALL HYDRO POWER PLANTS



PRIVATISATION - HEALTHCARE

HOSPITALS



POLYCLINICS



SANATORIUMS



PRIVATISATION - SERVICES

UNDERGROUND PARKINGS



SPORT HEALTH COMPLEXES



CINEMAS AND CLUBS



PRIVATISATION - TOURISM

COTTAGES



HEALTH SPORT CAMPS



HOTELS



THANK YOU!

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