

Invest in Azerbaijan











The Investment Climate and Business Opportunities in Azerbaijan





Characteristics of economy





Economic stability: Competitiveness

1st among CIS countries (6 times running)

38th among 144 countries

8th among 148 countries in terms of stability of macroeconomic environment

Source: World Economic Forum

2nd fastest growing economy among179 countries for GDP per capita growth in2001-2010

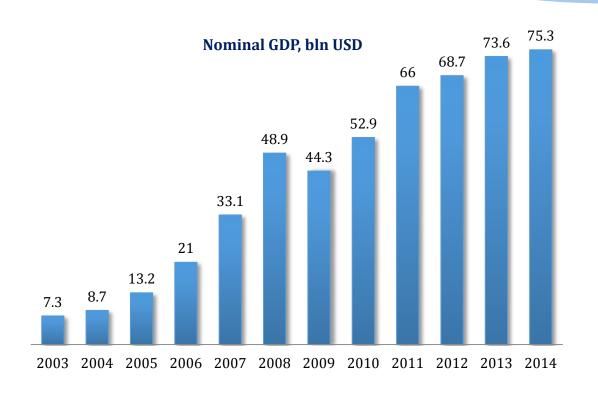
Source: The Economist

Other indicators (place among 144):

 $Inflation-1^{st}\\Macroeconomic environment-9^{th}\\Government budget balance-15^{th}\\General government debt-12^{th}\\Labour market efficiency-33^{rd}\\Capacity for innovation-43^{rd}\\Technological readiness-56^{th}$



Economic stability: GDP Growth

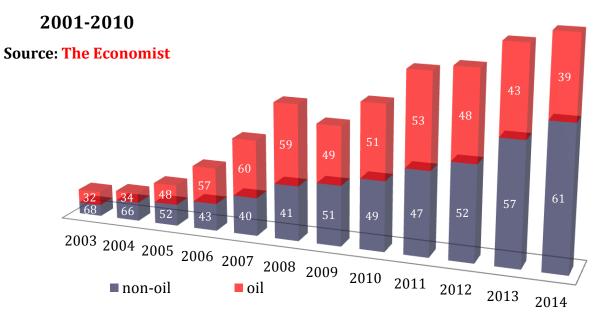




Structure of GDP

2nd fastest growing economy among

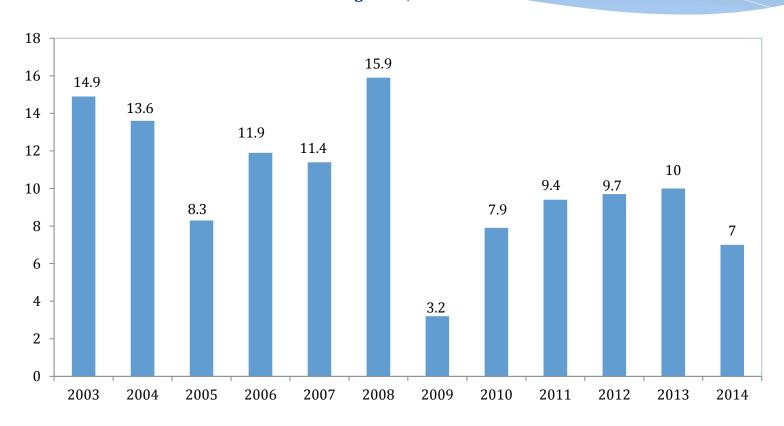
179 countries for GDP per capita growth in





Economic Stability: Non-Oil Growth

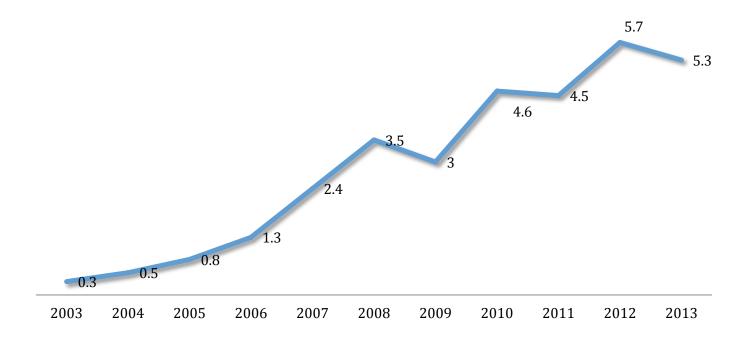
Non-oil GDP growth, %





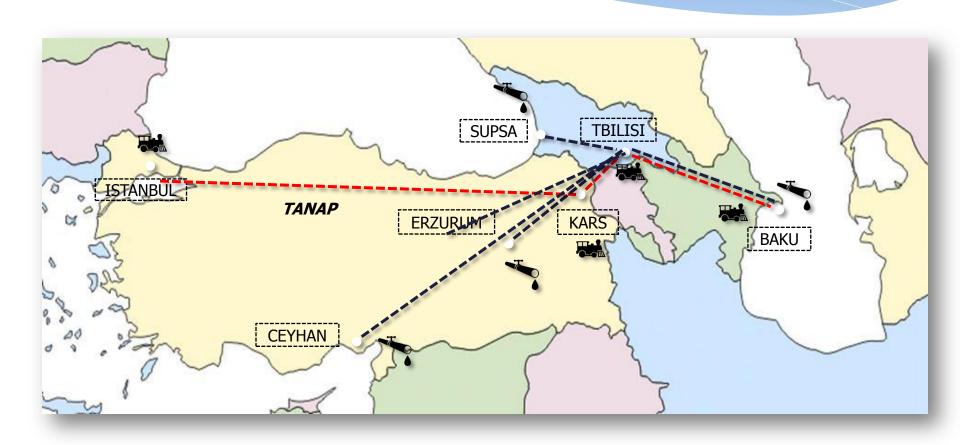
Economic Stability: Foreign Investment

Foreign investments in non-oil sectors, bln. USD





Strategic location





Business enabling environment

Reformist business environment

Firm legal basis and continuous improvement of business legislation

Top-reformer of business regulations according to Doing Business Report 2009

Decrease of red tape, simplifying business permitting and licensing systems



One-stop-shop for business registration

One of the easiest start-up procedures in the world

2 days for business registration

Internet registration of individual entrepreneurs and local commercial legal entities



Competitive tax system

E-filing and e-payment

Corporate tax – 20%; VAT – 18%; Simplified tax – 4% and 2%

No agriculture tax, tax holidays for residents of industrial and high-tech parks



User-friendly government services

Web portal on business permissions and licenses (www.icazeler.gov.az) and B2B facilitation (www.b2b.az)

One-stop-shop services by ASAN Service Centers (State Agency for Public Service and Social Innovations)



Favorable business environment Doing Business Report 2015

In the top 10 of the best reformers!

15th among the 50 most successful countries in reducing the distance from the "forward line" for the period since 2005.

Some indicators:

Company Registration - 12
Registration of real estate - 10
Enforcing Contracts - 31
Paying Taxes - 33



Developed legal framework

Guarantees for investors

Institutional support mechanisms

Government e-services

Competitive tax regime

Easy business start-up



Investments to economy

1995-2014

Non-oil sector 62 %

Total Investments 200 bln. USD

Domestic 105 bln. USD

Oil sector 38 %

Foreign 95 bln. USD



Our vision of the future





Azerbaijan 2020: the vision of the future

- O Doubling GDP
- Reaching GDP per capita level to 13,000 USD



Azerbaijan 2020: the vision of the future

- O Moving to innovation based economy
- Oncreasing competitiveness through diversification



Azerbaijan 2020: the vision of the future

© Establishing export-oriented economic model

Oncreasing volume of export to 1,000 USD per capita for non-oil products and services



Priority sectors

Tourism

Information and communication technology

Agriculture and food industry

Manufacturing



Special zones

Sumqayit chemical industrial park- total area: 295 ha Balakhani Eko-industrial park - total area: 10 ha Mingachaur industrial park - total area: 25 ha Parks administered by Ministry of Economy and Industry.

Priority products: chemicals used in agriculture, construction, packaging and automotive industries, textile product production, waste recycling and production.

Key advantage: All utilities are provided by plug-and-play concept; availability of in-door raw materials, **Tax holidays for 7 years**

Shamkir Agro park - Total area: 1500 ha

Priority products: agricultural products and food processing

Key advantage: Technology support, all utilities are provided by plug-and-play concept; availability of in-door raw materials and expert supports, tax and duty incentives

High tech parks Total area: 5 thousand m2 in Baku and 50 hectares on the island Pirallahi *Park administered by Ministry of Communication and High Technologies*

Priority products: chemicals used in agriculture, construction, packaging and automotive industries

Key advantage: All utilities are provided by plug-and-play concept; availability of in-door raw materials, **Tax holidays for 7 years**

*Established 6 private and public parks/incubators specialized in ICT.



Thank you for the attention!

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