

for Economic Cooperation and Development.



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## Macroeconomics

### Baku enters list of global financial centers in 2018

Azerbaijan's capital city Baku is included in the "Index of Global Financial Centers 2018". Baku is represented in this index for the first time. The rating of Azerbaijan's capital is 511. London is ranked first with a score of 794 points. The next are New York (793), Hong Kong (781), Singapore (765) and Tokyo (749). The index is compiled on the basis of 103 factors provided by the World Bank, The Economist Intelligence Unit, the United Nations and the Organization



### Azerbaijan's Economy Ministry to expand promotion of 'Made in Azerbaijan' brand

Azerbaijan's Economy Ministry will cooperate with Azerbaijani companies operating abroad to promote the 'Made in



Azerbaijan' brand, Deputy Economy Minister Sahil Babayev said at a press conference on the activities of the Azerbaijan Export and Investment Promotion Foundation (AZPROMO) over the past year.

Babayev said that the stands of the 'Made in Azerbaijan' brand will be installed at gas stations of Azerbaijan's state oil company SOCAR in Georgia within the pilot project. If positive results are achieved, work in this direction will continue, he said.

Under the presidential decree dated Oct.5, 2016, stipulating the promotion of the 'Made in Azerbaijan' brand in foreign markets, in 2017 Azerbaijan's products were exhibited at the International food, beverage and hospitality exhibition in Dubai (Gulfood 2017), the International Trade Fair Wines and Spirits in

Düsseldorf (Prowein 2017), International Food Exhibition ANUGA and Worldfood Moscow 2017 in Moscow.

Furthermore, there were also organized 10 export missions to foreign countries.

## Industry

### Deputy Economy Minister: Necessary to accelerate creation of innovation clusters in Azerbaijan

A conference entitled “Public-Private Cooperation in Creating Innovation Clusters: Available Assets and Use of Local Raw Materials” was held in Baku. Addressing the conference, Azerbaijan’s Deputy Economy Minister Niyazi Safarov said that it is necessary to accelerate creation of innovation clusters in Azerbaijan.

He noted that in this direction, it is necessary to establish cooperation with educational and scientific institutions. “The methodology and mechanisms for creating innovation clusters should be developed, and the functions of all participants should be determined. The rational use of resources and the channeling of accumulated assets into the industry is also an important task,” he noted.

Safarov went on to say that Azerbaijan’s Economy Ministry is completing the first stage of assessment at SOCAR Polymer, a polymer plant of Azerbaijan’s state oil company SOCAR, in Sumgayit city. The project will help the facility’s products to enter the Azerbaijani market as raw materials for production, according to the deputy minister. “For this purpose, negotiations with a number of companies are already underway,” Safarov said. He noted that an innovation cluster will be created at the SOCAR Polymer. This work will be implemented with the support of the Economy Ministry and the Research Institute of the Ministry, he added.

Safarov said that a register of state assets, which may be directed to the development of the industry, is being prepared in Azerbaijan. The SOCAR Polymer project is carried out in Sumgayit Chemical Industrial Park. At the first stage, production capacity of SOCAR Polymer will total 120,000 tons of polyethylene and 180,000 tons of polypropylene. The total capacity may reach 570,000 tons by 2021.

### Azerbaijan sending metal products for new BMW plant in Germany

The Sumgayit Technologies Park (STP) delivered the first cargo of galvanized steel products to Germany for construction of a new plant of German auto giant BMW in Cologne, the STP. "A contract for supply of the

first cargo of metal products to Germany was signed with the contractor company, DMT Foundry GmbH, and negotiations are currently underway to supply the next cargo."

The hot dip galvanizing plant of STP has nine baths for processing of materials. Cranes with a capacity of 6.3 tons are used for each bath during the loading and unloading process. After cleaning from dust and dirt, materials are transferred to the first loading zone. Degreasing of the metal surface is carried out in the first bath with a degreasing chemical called KeboClean VZS. To obtain a quality galvanizing, the metal surfaces are exposed to a solution of HCL in three parallel baths.

During the hot-dip galvanizing process, the steel structures are immersed in a bath of molten zinc, which results in a layer of ferro-zinc alloy on their surface that creates an ideal corrosion protection. Zinc grade of EN ISO 1461:2009 is used for a high quality zinc coating.

## **Agriculture**

### **Azerbaijan ups export of agricultural products**

Azerbaijan will supply pomegranates worth \$10 million to the United Arab

Emirates, Azerbaijan Export and Investment Promotion Foundation (AZPROMO) President Rufat Mammadov said at a press conference in Baku on March 16. He said deals were also concluded for supply of pomegranate juice to Saudi Arabia.

Agreements for supply of hazelnut, worth \$120,000 and \$130,000, were concluded with Poland and Italy, respectively. This product will also be exported to Switzerland. Grapes and wines for \$30,000 will be exported to Kyrgyzstan under another contract, he said.



Over the recent years, Azerbaijan has been implementing comprehensive measures to increase exports. One such measure is organization of export missions and participation in foreign exhibitions with a single country stand. Thanks to participation in such exhibitions and export missions, Azerbaijani entrepreneurs concluded various contracts for supply of products to the countries of Europe, Asia and the Middle East.

### **Agriculture Ministry to present mobile software for farmers**

Azerbaijan's Agriculture Ministry is developing a mobile application for agricultural producers, said head of

the office at the Ministry Ilham Bayramov.

He noted that it will be a so-called technological map for growing plants.



“The application’s functionality

will allow landowners to independently calculate and evaluate the sowing activities. For example, how to plow the land, what is necessary for sowing wheat, or how to sow seeds,” Bayramov.

Having specified the sowing area, and choosing a plant variety in the mobile application, it will be possible to receive an estimation of all stages of work and calculate the amount of investments and the expected income. “We believe that this application will be put into operation by the middle of the year,” Bayramov noted.

Moreover, the Agriculture Ministry also introduced new tools for mobile platforms development, which are available for developers on the data.e-gov.az portal. Several applications have already been developed based on these tools.

These are AGRO (FERM), AgroUnion and VetPro App. The AGRO (FERM) platform allows agricultural producers to offer their products and services. AgroUnion, in

turn, is aimed at applying technological innovations to the development of agriculture, whereas the VetPro App allows farmers, livestock keepers and zoo managers to obtain detailed information on artificial insemination and search for veterinarians.

“These applications will be publicly available after their functionality evaluation by experts from the Agriculture Ministry and the Information and Computing Center,” he noted. It is noteworthy that both the agriculture and ICT spheres of Azerbaijan have been experiencing rice in recent years, and thanks to such mobile applications, it will be possible to enhance and continue the spheres’ development.

Every year, the Ministry allocates subsidies to local agricultural producers of various cultivated crops, and the President of Azerbaijan attaches particular importance to this issue. He has recently signed an order on additional measures to ensure intensive development of crop production with a view to stimulate the agricultural production in the country.

As for the Information and Communication Technology, it is considered to be one of the crucial spheres for the further development of Azerbaijani economy and an integral part of the economic and political

reforms which are currently implemented in the country. This sector has intensively developed in the country over the past years. Creating and developing of the e-government system, expanding the broadband internet services, launching the telecommunication and low-orbit satellites, and many other steps are the evidence of Azerbaijan's success in this sphere.

## **Transport**

### **Heydar Aliyev International Airport once again recognized as best airport in post-Soviet space**

For the second year in a row Heydar Aliyev International Airport was awarded the prestigious Skytrax World Airport Awards, the most prestigious award for the airport industry. The solemn Skytrax award ceremony took place in Stockholm, Sweden.



Azerbaijan's main airport again topped the list of the best airports among Russia and CIS countries' airports for the level of the provided services. Baku Airport retains leadership in this nomination for the second year in a row.

In addition, Heydar Aliyev International Airport took the third

place on the list of world airports, which annually serve up to five million passengers. London City Airport topped this list.

The new airport complex (Terminal 1) of Heydar Aliyev International Airport received another prestigious nomination - the terminal is in the top ten best terminals in the world. London Heathrow Airport (Terminal 2) is the leader in this rating.

The Skytrax World Airport Survey is widely regarded as the quality benchmark for the world airport industry, assessing customer service and facilities across 550 airports. The survey and awards are independent of any airport control or input and are therefore an impartial benchmark of airport excellence and quality. During the inspection Skytrax held a survey among 13.73 million passengers from 100 countries.

### **Azerbaijani parliament adopts law on FEZ in Alyat settlement**

Azerbaijani parliament has adopted a draft law on the free economic zone (FEZ) in the Alyat settlement in the second reading at a plenary session. The FEZ is being created in the Alyat settlement in line with the Azerbaijani president's order signed in March 2016. The territory of



the new Baku International Sea Trade Port is also included in the FEZ.

The new law, prepared on the basis of foreign experience, will regulate the activities of the FEZ. The law envisages creation of a separate executive body that will oversee the activities of legal entities and facilities operating in the FEZ.

The Business Services Center will also operate in the FEZ. The Center will engage in licensing of business activities and will operate on a “single window” principle. A separate customs body will also be created.

Entrepreneurs operating in the FEZ will be exempted from taxes. Goods and services imported into the FEZ will be also exempted from customs duties and taxes. If the goods are imported into the FEZ from Azerbaijan or exported from the FEZ to Azerbaijan, Azerbaijani legislation will be applied to them.

## **Tourism**

### **Azerbaijan prepares action plan for development of health tourism**

Azerbaijan, rich with natural resources, found its niche in the sphere of medical tourism. With its rich natural resources, some of which are considered a remedy of many diseases, Azerbaijan can safely be called the curative hub of the region, with its

mineral waters and healing mud.

The Ministry of Culture and Tourism



has developed a draft “Action Plan for the Development of Health Tourism

for 2018-2020.” The minister Abulfas Garayev made the remarks on March 15 at a meeting dedicated to the development of health tourism. He said that like other types of tourism, health tourism has great potential in Azerbaijan and noted that the strategic road map allocates a special place for development of this type of tourism.

Garayev added that Azerbaijan has rich traditions of health tourism, and especially noted the methods of treatment by Naftalan oil. “Presently, health tourism is experiencing a new stage of development in our country. New infrastructure has been created in Naftalan, Galaalti, Gabala, Nakhchivan and Lankaran,” said the minister, adding that work continues on the establishment of recreational tourism zones in Khizi-Khachmaz, Guba and Gusar regions.

Garayev noted the importance of improving the quality and quantity of services provided in these tourist service centers. He added that the organization of excursions to nearby cities and regions plays a special role in tourists’ effective leisure activities.

“Along with the fact that this will bring additional income to tourism enterprises, it will also serve to promote the culture and historical places of Azerbaijan,” the minister said. Azerbaijan offers great recreation for tourists both in the traditional and health tourism. It is noteworthy that the country was named among Top five countries in the category of “Wellness Holiday,” according to the results of the Internet voting of National Geographic Traveler Awards 2017.

The health tourism in Azerbaijan has been noticeably improved after the adoption of the state program on development of resorts in 2009-2018. The Association to support the health and thermal tourism in Azerbaijan was established in order to boost the health tourism, as well as modern medical and health centers were opened in Baku, Naftalan, Nakhchivan and other regions of the country.



The oil produced in the town of Naftalan deserves particular attention. Known since ancient times and mentioned in the works of prominent Greece historians Herodotus and Plutarch, Naftalan oil is used for therapeutic baths to treat over 70 illnesses. The town has a special treatment center with unique

natural treatments that cannot be seen anywhere else in the world.

## Announcements and Notifications

### ADA University holds Baku Summer Energy School

The Caspian Center for Energy and Environment (CCEE) of ADA University have arranged Baku Summer



Energy School (BSES). The annual two-week certificate program was held in July in partnership with the State Oil Company of the Azerbaijan Republic (SOCAR), British Petroleum in Azerbaijan and ExxonMobil.

The event brings together world-renowned scholars, academicians and policy makers to examine and gain a better understanding of global energy and environment issues and their practical application, Azertac reported. A special focus of the program is on the Caspian Basin, including regional pipeline network development, geopolitics of the Caspian and its legal status, and the strategic outlook of SOCAR. As well as this, to mark the 10th anniversary of the program successful completion of the BSES will constitute completion of the first module of the joint ADA University-Graduate School of Geneva Executive Master of Arts (EMA) Degree in Energy Studies.