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## Macroeconomics

### Azerbaijan ranks 1st among CIS countries as per “Intellectual Property Protection”

Azerbaijan ranks first among the CIS countries by the "Protection of Intellectual Property" indicator in the report of the World Economic Forum, the commentary of the Intellectual Property Agency of Azerbaijan related to the Global Competitiveness Report (GCI-2018) published by the World Economic Forum for 2018, reads. It is noted that Azerbaijan hold 69th place in accordance with the country's



competitiveness rating published in the report.

"The calculation was carried out on the basis of a new method, significantly different from the previously used method. The rating is compiled in 12 positions. The first position "Institutions" is very important from the point of view of intellectual property. Azerbaijan scored 4.8 points in this position and took 36th place (it took 37th place last year.) In terms of the "Protection of Intellectual Property" indicator, Azerbaijan ranks first among the CIS countries, and, outranking Armenia by 30 points, and Georgia by 54 points, is the undisputed leader among the countries of the South Caucasus," the agency said. It is also noted that Russia is on the 85th place, Ukraine - on the 114th place in terms of this indicator. The agency stated that the "Innovation" position is related to intellectual property to some extent. "Azerbaijan holds 71st place in the "Innovation" position, being ahead of Georgia and Kazakhstan, which are at the 85th and 87th places, respectively. The Russian Federation (36th place) and Ukraine (58th place) the leaders here," the agency stated.

### Confederation of Entrepreneurs: Over 15 years \$250B invested in Azerbaijani economy

Over the past 15 years, \$250 billion has been invested in Azerbaijani

economy, half of which accounts for foreign investment, the President of the National Confederation of Entrepreneurs (Employers') Organizations of the Republic of Azerbaijan Mammad Musayev said at the conference "Cooperation of entrepreneur-professional education".



"Investment means attraction of new technologies, creation of new enterprises. And this, in turn, presents new requirements for education, including professional education. On this matter, we work closely with the Ministry of Education and individual universities, educational institutions. A lot of work has been done within the framework of the signed agreements, which gives positive results," Musayev said.

In his turn, the Deputy Minister of Education of Azerbaijan Firudin Gurbanov, who made a speech at the event, noting that Azerbaijan continues to optimize existing and create new vocational schools, which will help improve human resources.

"As a result of the optimization, in accordance with the relevant decisions of the Cabinet of Ministers, on the basis of 34 vocational schools located in Baku, Ganja and Gabala district 14 specialized vocational education centers have been created. As part of

measures taken to improve the regulatory framework of vocational education in 2018 in Azerbaijan for the first time a law on vocational education was adopted," Gurbanov said.

"In particular, the new law provides for the provision of financial, legal and other benefits in order to increase the interest of employers in attracting graduates of vocational schools. I would also note that memorandums of understanding have been signed between a number of educational institutions, local and foreign companies," the deputy minister added.

## Industry

### Azerbaijan signs Belt and Road Energy Partnership Declaration

Azerbaijan has become a signatory to the Belt and Road Energy Partnership Declaration as Minister of



Energy Parviz Shahbazov attended the Belt and Road Energy Ministerial Conference in China. Hosted by the Chinese National Energy Administration, the conference brought together ministers of energy administrations and representatives from relevant international organizations. The major highlight of

the conference was Building the "Belt and Road" Energy Partnership.

Addressing the conference, Shahbazov said that through restoration of the historical Silk Road, China and Azerbaijan are bringing continents and civilizations closer to each other, building a new model of cooperation of the Belt and Road Initiative in a large geography, which covers South-East Asia, Africa and Eastern Europe.

He noted that the successful transport projects such as Baku-Tbilisi-Kars, South-North, Alat International Sea Trade Port implemented by Azerbaijan have considerably contributed to the One Road, One Belt initiative.

The conference, which was hosted for the first time, featured discussions on a wide range of topics, including encouragement of investments in the field of energy and unimpeded energy trade.

At the end of the conference, a Joint Ministerial Declaration on Building the Belt and Road Energy Partnership was signed. The document emphasized that the Belt and Road Initiative will provide new opportunities for the international cooperation as an open and inclusive platform. By signing the Declaration, the signatory countries have also

expressed their support for building of Belt and Road Energy Partnership.

One Belt, One Road initiative was put forward by Chinese President Xi Jinping.

Azerbaijan expressed its support to the initiative when the country signed the Memorandum of Understanding on Joint Encouragement of the Establishment of "Silk Way Economic Belt" during President Ilham Aliyev's state visit to China in 2015.

### **Azerbaijan expects "energy boost" due to new renewable sources**

In 2018, electricity produced from



renewable sources will exceed 10 percent of the total energy generated in Azerbaijan, the Deputy Chairman

of The State Agency on Alternative and Renewable Energy Sources of the Republic of Azerbaijan Jamil Malikov said.

It is forecasted that this figure will reach 12 percent by 2020, and by 2030 it should reach 20 percent, Malikov said.

"This requires investment, appropriate regulatory framework and an optimal tariff policy. In 2017, the volume of electricity produced from renewable sources amounted to 9.8 percent of the total energy production. In alternative

energy, the energy losses are very small, since production facilities are located in close proximity to the end user," Malikov said.

Malikov stressed that, in the production of energy from renewable sources, high-voltage lines are not used and when high-voltage lines are used, it is necessary to transform the voltage from high to low.

According to him, in 2018, the share of renewable energy will be higher than it was in 2017, and the prerequisite for this is that one large 50 megawatt wind farm "Yeni Yashma" and two small stations have been put into operation in the country. "We hope that in the current year the share of renewable energy sources in the total electricity generation will exceed the ten percent level," the deputy chairman said.

## Agriculture

### Azerbaijan's big tobacco producer announces production plans

Azertutun Ltd, part of the Azerbaijan Industrial



Corporation (AIC), intends to produce 3,000 tons of

tobacco in 2018, AIC Director General Kamran Nabizade said. "Azerbaijan plans to produce a total of

6,000 tons of tobacco in 2018, of which 3,000 tons will account for Azertutun. Lands sown under tobacco reached 2,387 hectares this year. Tobacco is stored in the storage point in Balakan region," Nabizade added. The state aims at the rational usage of the potential of this industry and increase of its competitiveness.

Azerbaijani President Ilham Aliyev signed a decree approving the "State Program for the Development of Tobacco Growing in Azerbaijan for 2017-2021" on August 10, 2017.

According to the order, the State Program is aimed at the development of tobacco growing, deepening the sphere of tobacco processing, increasing profitability and export potential as well as increasing employment of the rural population.

The state program takes into account all the necessary factors for the development of this industry - control over the quality of seeds, phytosanitary. This shows that the state aims to create all conditions and provide targeted support for the development of tobacco growing.

Currently, the country eyes to minimize the import of tobacco products. To this end, the manufacturer of tobacco products Tabaterra will build a factory of tobacco products in the Sumgayit Chemical Industrial Park. Taking into account the market demand, the

factory, capable of producing 10 billion cigarettes, is able to fully meet the country's demand for tobacco products.

For the first five months of the year, 1,275 billion cigarettes were produced in the country. In the reporting period, the country produced more cigarettes than during the entire 2017, when 1.241 billion cigarettes were produced.

### **Azerbaijan world's 3rd hazelnut producer**



Azerbaijan has become the world's third largest hazelnut producer and exporter, Azerbaijan Hazelnut Producers and Exporters Association (AHPEA) said. The Association representative further noted that Azerbaijani hazelnuts are exported to 25 countries, mostly to Italy, Russia and Germany.

“The hazelnuts produced in Khachmaz region are exported to the Russian Federation, and the hazelnuts produced in Gabala-Oghuz, Gakh-Zagatala and Balakan regions are exported to European countries,” according to the Association.

Answering the question on the amount of the exported hazelnut, AHPEA stressed that as many as 20,850 tons of hazelnut was exported in 2017 and the expectations for the current year

are the same. Hazelnut production plays a significant role in the economy of the northern regions. There are 8,218 hectares of hazelnuts garden in Khachmaz region, and 3,912 hectares of these are harvested.

Last year, hazelnut trees were planted in Azerbaijan on area of 18,000 hectares. Thus, the total area of hazelnut gardens in Azerbaijan has reached 55,000 hectares. The main goal is to bring their area up to 80,000 hectares.

Several varieties of hazelnuts, such as Atababa, Ashrafli, Ghalib, Ganja, Sachagly, Topgara and Yagly, are cultivated in Azerbaijan. Many of the country's hazelnut orchards are situated in the foothills of the Caucasus Mountains in the regions of Gakh, Zagatala and Balakan.

In 2016 Ferrero, the world's largest buyer of hazelnuts started purchasing large quantities of Azerbaijan's hazelnuts. Last year Azerbaijan produced 45,500 tons of hazelnut, which was 32.9 percent higher than in 2016.

### **Transport**

#### **Azerbaijan to get 30 Swiss-made railcars**

It is planned to deliver 30 railcars manufactured by the Swiss company Stadler Rail Group to Azerbaijan,

Chairman of the Azerbaijan Railways CJSC Javid Gurbanov said at the 9th Azerbaijan-Russia Interregional Forum in Baku. "Some 30 railcars will be delivered to Azerbaijan in the first months of 2019. The railcars are manufactured in Zurich, Switzerland. On new trains it will be possible to arrive in Kars in 10 hours, in Ankara in 20 hours," Gurbanov said. Azerbaijan Railways ordered 30 railcars at Stadler Rail Group for passenger transportation along the Baku-Tbilisi-Kars railway (BTK).

### **Azerbaijan's transit potential presented in Zürich**

JCC held its third New Silk Road Forum on September 18, 2018 in Zurich. This flagship event in partnership with the Swiss-Chinese Chamber of Commerce (SCCC) examined the new infrastructure, energy and trade linkages from China through Russia, Central Asia and the South Caucasus to Europe.

Natig Jafarov, Director of ADY Container highlighted the country's transport, transit and logistic potential, investment and business climate in the country, as well as regional energy and transport projects implemented under Azerbaijan's leadership. He noted the importance of energy and transport projects,



which were initiated by Azerbaijan, in terms of the development of regional cooperation.

### **Tourism**

### **Azerbaijan and Switzerland will increase the flow of tourists in both directions**

Within the framework of the visit of Federico Sommaruga, Director Emerging Markets & Special Projects at Switzerland Tourism to Azerbaijan, a Memorandum on the development of relations between the tourism associations of Azerbaijan and Switzerland was signed.



The document was signed on the Azerbaijani side by the CEO of the Azerbaijan Tourism Board Florian Sengtschmid, and with the Swiss side - by the Director Emerging Markets & Special Projects at Switzerland Tourism Federico Sommaruga.

The Memorandum aims to exchange information, develop cooperation in the field of tourism, and organize joint events. The parties will make efforts to increase the tourist flow in both directions. Particular attention will be paid to the development of winter tourism.

## **Heydar Aliyev International Airport served about 3.5 million passengers during nine months of 2018**

During the first nine months of 2018,



Heydar Aliyev International Airport served 3.49 million passengers. This indicator exceeds the same indicator of the previous year by 10 percent. National air carrier Azerbaijan Airlines (AZAL) carried 1 million 512,000 passengers, while national low-cost airline Buta Airways – 345,000 passengers.

3 million passengers (86 percent of passenger traffic) accounted for international flights since the beginning of the year. 34 percent of total number of international passengers accounted for AZAL, while 11.5 percent - Buta Airways.

In addition to AZAL and Buta Airways carrying out international passenger flights in August, the top ten airlines also included FlyDubai, Turkish Airlines, Air Arabia, Aeroflot, UIA (International Airlines of Ukraine), Qatar Airways, Utair, Iraqi Airways, Lufthansa and S7 Airlines. In total they served 143,000 passengers.

Currently, Heydar Aliyev International Airport serves 30 airlines

on over 40 destinations. Top ten most popular international destinations include Istanbul, Moscow, Dubai, Antalya, Sharjah, Kiev, Baghdad, Tehran, Bodrum and Tel Aviv. 328,000 passengers traveled to these destinations during this period.

The new airport terminal of Heydar Aliyev Airport (Terminal 1) was put into operation in April 2014. Its total area is 65,000 square meters.

Heydar Aliyev International Airport was awarded the category of "4 stars" by the Skytrax, which is influential British consulting company specializing in the study of the quality of services provided by various airlines and airports worldwide.

In March 2018 Baku Heydar Aliyev Airport was named the best airport among airports of Russia and CIS countries for the level of the provided services, being awarded the prestigious Skytrax World Airport Awards for the second year in a row.

### **Announcements and Notifications**

#### **Bakutel 2018 - 24th Azerbaijan International Telecommunications, Innovations and High Technologies Exhibition and Conference.**

Bakutel 2018 exhibition, which has turned into a constant event, plays the role of platform where the latest high technology achievements of

Azerbaijan, as well as many other countries and companies in the world are presented. Traditional Bakutel exhibition is a place to demonstrate the latest ICT achievements and present advanced technological innovations, apart from being a good opportunity to get acquainted with our country, it is also an invaluable platform for the establishment of business relations and exchange of experience.

Exhibitors include telecommunications and networks, IT and office technologies, Cable and wireless, Satellite communications and technologies, Broadcasting and professional equipments, Banking technologies and services, Broadband communications and technologies, Software and ICT systems will be showcased in the trade show.

Visitors like General managers and directors, IT managers Technical managers, System administrators, Web-designers, Designers, Operators, Telecom managers Safety appliances engineers, Purchase managers, Office managers, Representatives of governmental structures and embassies, Chief accountants Chiefs of institutes will visit the trade show.

Bakutel is an international exhibition and conference for telecommunications and information technologies and one of the largest events of its kind in the Caspian and Caucasus region.

The twenty-fourth Bakutel takes place on 4 days from Tue., 04.12.2018 to Fri., 07.12.2018 in Baku.

For more information, please visit website [www.bakutel.az](http://www.bakutel.az)