



Economic News Bulletin
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Macroeconomics

Azerbaijan, Switzerland and multilateral cooperation

Khalaf Khalafov, Deputy Foreign Minister of the Republic of Azerbaijan, met with Christina Marti, Deputy Secretary of State for Foreign Affairs of Switzerland in Bern. At the meeting, the Swiss official said there were very good relations between the two countries and highly appreciated the meetings and regular dialogue of the Azerbaijani and Swiss presidents within the framework of the annual Davos meeting of the World Economic Forum.



Khalaf Khalafov in his turn drew attention to the importance of holding a political dialogue and consultations between the two countries, including the need for regular political consultations and bilateral high-level visits.

Referring to the Armenian-Azerbaijani Nagorno-Karabakh conflict, Khalafov said that the peaceful settlement of the conflict must be based on the implementation of the UN Security Council resolutions and the unconditional withdrawal of Armenian troops from the occupied territories of Azerbaijan. Nevertheless, Armenia's present political leadership is dealing with contradictory political statements aimed at strengthening the occupation of the Azerbaijani territories by Armenia, instead of taking a constructive stance on the peaceful settlement of the conflict, thus undermining the efforts aimed at peace negotiations and posing a threat to the fragile stability and security in the region. The Armenian leadership is responsible for the development of the events in this context and their dangerous consequences.

At the same time, the sides stressed the great potential for the development of economic relations between Azerbaijan and Switzerland. Swiss companies were invited to participate in national and regional projects, particularly in the non-oil sector,

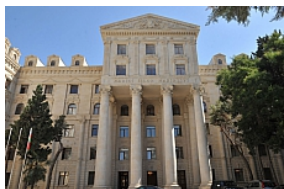
industry, transport and communications, agriculture, pharmacy and tourism. In addition, opportunities for cooperation in vocational education were also discussed.

At the meeting, the sides exchanged views on the regional and international significance of signing the Convention on the legal status of the Caspian Sea, the opportunities created at the regional and international levels by the the East-West transport corridor project implemented in the Caspian Sea, as well as international energy projects initiated by our country.

The ambassador of the Republic of Azerbaijan to the Swiss Confederation and Liechtenstein, Hanum Ibrahimova also participated in the meeting.

Azerbaijan, World Economic Forum discuss prospects of cooperation development

Azerbaijan`s Foreign Minister Elmar



Mammadyarov, who is on a working visit to China, met with President of the World Economic Forum (WEF) Borge Brende as part of the Annual Meeting of the New Champions organized by the WEF in Tianjin. The sides hailed the traditional ties between Azerbaijan and the WEF. Participation of

President of the Republic of Azerbaijan Ilham Aliyev in the WEF Annual Meetings and his speeches therein were emphasized particularly. Attendance of Azerbaijan at current meeting, dedicated to the challenges relating to the Fourth Industrial Revolution in the economic, political, social and environmental spheres, was highly appreciated as another manifestation of the level of these ties.

Minister Mammadyarov noted that in the WEF reports on trends in global economic development and forecasting its prospects, Azerbaijan's indicators on providing business conditions, competitiveness and creating new jobs are growing year by year. He stressed that due to these positive achievements, which are the result of ongoing reforms and modernization programs carried out in the country, firm and sustainable development was ensured.

Elmar Mammadyarov spoke about the great attention paid to the projects of regional cooperation with the aim of more efficient use of Azerbaijan`s rich potential for the sake of prosperity of its people. In this regard, along with the strategic projects being implemented in the oil and gas sector, he highlighted the exceptional importance of the East-West, North-South and South-West transport corridors.

Touching upon the Armenia-Azerbaijan conflict, Minister Elmar Mammadyarov pointed out that the illegal presence of the armed forces of Armenia in the occupied territories of Azerbaijan, while remaining a serious threat to regional peace and stability, is at the same time the main obstacle to comprehensive cooperation in the South Caucasus region and a wider area.

The sides, expressing confidence regarding successful development of traditional relations between Azerbaijan and the WEF, exchanged views on the role of the country in the global economy system and other issues of mutual interest.

Industry

Azerbaijan's solar power plant preparing to connect new solar panels



Azerbaijan's Pirallahi solar power plant is preparing to connect new solar panels, Azalternativenerji LLC under the State Agency on Alternative and Renewable Energy Sources said. "In general, 4,400 solar panels have been installed here, 1,920 of them have been already connected, the remaining 2,480 are being prepared for connection," the company said. The solar power plant generated 1.9

million kilowatt-hours of electricity worth about 86,000 manats from May 22, 2014 to July 1, 2018. Moreover, 1.816 million kilowatt-hours of electricity of that volume were sold.

The contract cost of the solar power plant project is 14.7 million manats. In January-July 2018, Azerbaijan's wind farms produced 14.1 million kilowatt hours of electricity, which is 63.9 percent more than in January-July 2017, while solar power plants generated 23.4 million kilowatt hours of electricity, says a report of the State Statistics Committee.

According to the State Agency for Alternative and Renewable Energy Sources, the country's wind energy potential is 350 megawatts, 50 megawatts account for solar energy, and during the next few years it will be possible to reach the level of 20 megawatts in bioenergy.

Azerbaijan's power plants generated 13.5 billion kilowatt hours of electricity in January-July 2018 that is 2.6 percent more than in the same period of 2017, according to the report. The report says that 12.99 billion kilowatt hours of the total electricity generated in January-July 2018 accounted for commercial electricity, which is 3.1 percent more than in January-July 2017.

Agriculture

Azerbaijan starts production of most expensive tobacco

Azerbaijan has started growing growing tobacco of US variety, a source in the Executive Power of Azerbaijan's Shaki district said. This type of tobacco grown in Shaki is imported from the US state of Virginia, and it is more valuable compared to other varieties of tobacco, according to the source.



“This year, 877 hectares of tobacco have been planted in Shaki, 649 hectares of which account for Virginia green tobacco, and other varieties of tobacco have been planted on 228 hectares,” the source noted. “Tobacco production has already begun in the district. As much as 2,600 tons of Virginia tobacco were produced this season, and also 15,743 tons of other varieties of green tobacco were harvested.”

The peculiarity of the Virginia variety is that unlike other types of tobacco, it can be dried in a special way at any temperature, said the source.

Azertutun LLC imports seeds of this variety, concludes contracts with population, provides farmers with seeds, etc., according to the source.

After cultivation, Azertutun LLC buys the tobacco, and this year it is expected to produce 2,700 tons of dried tobacco, the source said.

The source also reminded that last year, 843 hectares of land were allocated for tobacco in Shaki district and 2,631 tons of tobacco were produced.

Azerbaijani winemakers eye to enter new markets

Wine production in Azerbaijan in 2018 can grow by 50 percent compared to last year, chairman of the Association of



Wine Producers and Exporters Elchin Madatov said. "Last year, we produced five million bottles of wine and other similar products. This year we expect an average growth of 50 percent. For some products, growth may be greater, but on average we expect that production will grow by half," Madatov said. In 1H2018, Azerbaijan exported 3.3 million bottles of wine, according to him.

"It is 60 percent higher than the same period of 2017. As for expanding the geography of exports, we have long wanted to enter the Central Asian and Baltic markets. We don't have strong presentation in these markets, therefore we want to increase it. We pin great hopes on Azerbaijan's

trading houses in Riga, Latvia, as well as on the Azerbaijani export mission to Kazakhstan and the opening of a new trading house in Aktau," Madatov said.

He noted that, in order to expand the export coverage, a number of export missions are organized, the state gives producers opportunities to participate in exhibitions and promote their products. "Over the past three months, we have visited China, Belarus and Germany, where we actively advertised Azerbaijani products. Our efforts are already bearing fruit. We have already got requests from Belarus, and I believe that this year Azerbaijani wines and cognacs will return to the Belarusian market. Our products also of a great interest in Europe. We need to advertise our products, since this market is still relatively new for us. Of course, our products are exported to the European market but the volume of exports is low. Therefore, it is necessary to continue advertising and promoting Azerbaijani wines in Europe," Madatov said.

The main goal of Azerbaijani wine producers for the near future is to expand the geography of their exports, according to the head of the association. "We can not depend on one or two markets, so we are constantly focused on finding new ones. Several years ago, when the winemaking was just beginning to

revive, all Azerbaijani producers were oriented to the markets of the post-Soviet countries. However, today we are already targeting the European, African and North American markets. Some enterprises export, for example, to North America, but these exports are of small volumes," Madatov added. The country plans to increase exports of wine by five times until 2025 according to the State program of development of winemaking for 2018-2025, approved by the President of Azerbaijan Ilham Aliyev.

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

AZAL will resume flights to Geneva

Starting from October 30 this year, Azerbaijan Airlines (AZAL) will start Baku-Geneva-Baku flights. AZAL flights will be carried out as part of a

joint charter program for the classic transportation



scheme, which includes free baggage and hand luggage and meals on

board. AZAL's J2-5009 / J2-5010 flights will be carried out twice a week on Tuesdays and Fridays with Airbus A319 aircraft with improved comfort seats in three service classes - VIP Club, Business Class and Economy Class.

Departures will be carried out from Terminal 1 of Heydar Aliyev International Airport. Geneva is the second most populous and largest city in Switzerland. The city is located between the mountains of Jura and the Alps. It is the administrative center of the canton of the same name. The pearl of the city is its Lake Lemman with a beautiful lakefront and luxurious hotels around. Today, Geneva is the world's financial, political and scientific center, and is also the starting point for trips to the ski resorts of Switzerland and France. Air tickets can be booked on the website of the company www.azal.az and purchased at AZAL sales offices and official sales agencies.

To purchase tickets and for more information, please contact: (+99412) 598-88-80 (hotline from Azerbaijan: *8880); E-mail: callcenter@azal.az;

WhatsApp: (+99450) 437-40-82 (only written requests, this phone number does not accept incoming calls)

Azerbaijan hosting First International Walnut, Hazelnut and Chestnut Festival

The First International Walnut, Hazelnut and Chestnut Festival has started in Azerbaijan.



Report's Shaki-Zagatala Bureau informs that the event was organized by the Zagatala Region Executive Power. The opening ceremony of the event was held at the Dede Gorgud square in Zagatala. The event was attended by heads and representatives of the embassies of nearly 15 foreign countries, representatives of the Ministries and state bodies, Milli Majlis deputies, as well as walnut producers and exporters, city guests and local residents.

The official guests in the festival first laid flowers to the memorial of National Leader of Azerbaijan in the Heydar Park and then familiarized with the Heydar Aliyev Center. Then they visited the walnut garden in the area of the Zagatala experimental station and familiarized with walnut processing at Azersun LLC's walnut processing plant.

Then they watched the oven burning with walnut and hazelnut shells, walnut and chestnut frying, rules of storing chestnut, burning walnut branches in tendir, manufacture of horse-carts and cooking different dishes.

The winners of the walnut, hazelnut and chestnut contest were awarded in conclusion of the festival. The event will be concluded with an artistic program to be held at the square in the area of the Zagatala History-Culture Reserve.

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