azpromo

Export and Investment Promotion Agency
of the Republic of Azerbaijan

INVESTMENT PROJECTS
IN AZERBAIJAN

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INVESTMENT CLIMATE AND ECONOMIC INDICATORS

State of the Economy (2024)
Azerbaijan's economy boasts a GDP of $74.3 billion and a GDP per capita of $7,284, with 68% of GDP from the non-oil sector. The population is 10.2 million. From 1995 to 2024, Azerbaijan has attracted more than $121 billion FDI, with around $20 billion in the non-oil sector. Real GDP growth was 4.1%, and non-oil sector growth reached 6.2%.

Key Sectors
The main sectors include industry, trade and vehicle repair, construction, agriculture, transport and warehousing, and services, driving economic growth and development.

Proven Trading Partner (2024)
In 2024, Azerbaijan's exports totaled $26.6 billion, with top markets being Italy, Turkey, Russia, Czech Republic and Croatia. Imports amounted to $21.1 billion, primarily from China, Russia, Türkiye, USA, and Australia. The total foreign trade turnover stood at $47.6 billion, resulting in a positive trade balance of $5.5 billion. Non-oil exports accounted for $3.4 billion.

Infrastructure
Azerbaijan has developed nearly 20,000 km of roads, eight new international airports, the Baku-Tbilisi-Kars railroad, and the modern Baku International Sea Trade Port. The Alat Free Economic Zone (AFEZ) offers strategic multi-modal incentives.

INVESTMENT CLIMATE AND ECONOMIC INDICATORS

Sovereign Ratings (2024)
Azerbaijan holds stable sovereign ratings: BB+ (stable) by Standard & Poor's, Ba1 (positive) by Moody's, and BBB- (stable) by Fitch.

Business-Oriented Reforms
Reforms include no state inspections of businesses, streamlined public services, a simplified licensing system, and e-government services, resulting in a low tax burden.

Investment Climate
Azerbaijan offers a favorable investment climate with no price controls, restrictions on profit repatriation, or requirements for prior authorization of foreign investments. There are no foreign exchange or technology transfer restrictions, and investors are treated equally under the law.

Key Sector Opportunities
Opportunities exist in agriculture, the chemical industry, transport and logistics, light industry, food processing, renewables, ICT, and tourism, each offering unique advantages and growth potential.

Agriculture

FRUIT FARM PROJECT

FRUIT FARM PROJECT

Project definition
The Farm presently yields approximately 2,000 tons of fruits annually, and as certain trees progress through their initial maturity stage, this output is anticipated to reach 2,500 tons within the next 7-8 years. Emphasizing premium varieties allows for increased profit margins. The project focuses on cultivating peaches, nectarines, apricots, and plums.

Value Proposition
The Farm currently has unused capacity in terms of available land and yield optimization. Strategic, modest investments can unlock fresh sales channels, substantially enhancing profitability. Approximately 70% of the Farm's produce is exported to CIS countries, ensuring stable revenue streams, while the remaining 30% is supplied to local markets in Baku, meeting high demand. The tree plants, sourced from France, Italy, and Turkey, guarantee high-quality produce that meets international standards. This investment promises robust returns through optimized capacity, expanded market reach, and leveraging premium raw materials and established export markets.

Location
Sheki city

Project type
Brownfield

Landuse
Total area: **98 ha**
Free area: **10 ha**

Annual production
2 thsd tons

Permanent employment
15 full-time employees, **120** at harvest time

ECONOMIC INDICATORS

Total investment required
5,1 mln USD

Average annual revenues
1,4 mln USD

Equity IRR
12.8 %

Payback period
6.7 years

GOVERNMENT INCENTIVES

- Crop subsidies with a base rate of approximately **120 USD.**
- Irrigation systems are available with a **20%** down payment and a **40%** discount, complemented by a **40%** interest-free loan.
- Approved list of equipment eligible for agricultural subsidies.
- Agricultural producers exempt from land tax and certain taxes.

MODERN GREENHOUSE COMPLEX PROJECT

MODERN GREENHOUSE COMPLEX PROJECT

Project definition
The project involves developing a 10-hectare advanced agricultural facility in the Absheron region to boost crop yield and sustainability under controlled environmental conditions. The focus is on cultivating the profitable Absheron region tomato. The project includes constructing a modern greenhouse equipped with advanced technologies to optimize conditions for tomatoes and berries, ensuring maximum efficiency and productivity. The expected tomato yield is approximately 400 tonnes per hectare using high-tech greenhouse methods.

Value Proposition
Investing in this advanced agricultural facility in Absheron offers high profitability, with projected annual yields of around 400 tonnes of tomatoes per hectare. The use of cutting-edge technologies and sustainable practices ensures superior crop quality, reducing water usage by 30% and increasing efficiency by 25%. The facility's flexibility to adapt to market trends guarantees long-term viability.

Location
Absheron region

Project type
Greenfield

Landuse
10 ha

ECONOMIC INDICATORS

Total investment required
7,1 mln USD

Annual production cost
11,6 mln USD

Payback period (construction period included)
3.3 years

Annual average profit
5,2 mln USD

GOVERNMENT INCENTIVES

- Crop subsidies with a base rate of approximately **120 USD.**
- Irrigation systems are available with a **20%** down payment and a **40%** discount, complemented by a **40%** interest-free loan.
- Approved list of equipment eligible for agricultural subsidies.
- Agricultural producers exempt from land tax and certain taxes.

MODERN ANIMAL HUSBANDRY COMPLEX PROJECT

MODERN ANIMAL HUSBANDRY COMPLEX PROJECT

Project definition
The project focuses on developing a state-of-the-art animal husbandry complex in the Beylagan region, spanning 5,939 hectares. The primary aim is to enhance livestock productivity and welfare through contemporary farming practices. This initiative involves the construction of a modern animal husbandry complex dedicated to agriculture and animal husbandry, with the main product being red meat. The facility will incorporate advanced technologies to improve efficiency and sustainability in livestock farming.

Value Proposition
The project aims to significantly boost livestock productivity and welfare using advanced farming practices. In 2023, Azerbaijan's livestock production index was 121.3, indicating strong growth in the sector. Additionally, the country produced 148,600 tonnes of beef in 2023, reflecting a steady increase in meat production.

Location
Beylagan region

Project type
Greenfield

Landuse
5,9 thsd ha

Annual production
25 thsd tons

ECONOMIC INDICATORS

Total investment required
43 mln USD

Construction period
2 years

Annual production cost
10,2 mln USD

Annual average profit
5,2 mln USD

Profit including annual average depreciation
1,9 mln USD

Payback period
(construction period included)
8.5 years

GOVERNMENT INCENTIVES

- Approximately **60 USD** subsidy for each calf born via artificial insemination.
- Approved list of equipment eligible for agricultural subsidies.
- Agricultural producers exempt from **land tax** and certain taxes.

MODERN POMEGRANATE COMPLEX PROJECT

MODERN POMEGRANATE COMPLEX PROJECT

Project definition

The project entails the development of a cutting-edge pomegranate complex in the Kurdamir region, sprawling across 237 hectares. This initiative aims to boost the agricultural economy through the integration of pomegranate cultivation with horticulture. The project concept involves constructing a modern pomegranate complex, primarily focusing on agriculture and horticulture. The main product will be pomegranates, supported by essential infrastructure such as a modular power station to ensure energy efficiency and sustainability.

Value Proposition

The project is designed to significantly enhance the agricultural economy by leveraging the high demand for pomegranates both locally and internationally. In 2023, Azerbaijan produced approximately 187,000 tons of pomegranates, with 15% being exported. The strategic location and optimal growing conditions of Kurdamir, combined with advanced cultivation techniques, ensure high-quality yields. Azerbaijan's pomegranates are highly sought after in markets such as Russia, Germany, and the UAE, offering promising export potential.

Location
Kurdamir region

Project type
Greenfield

Landuse
237 ha

Annual production
4,7 thsd tons

ECONOMIC INDICATORS

Total investment required
22,8 mln USD

Annual production value
2,7 mln USD

Annual average profit
1,3 mln USD

Payback period
16.3 years

The initial fruit ripening period
3 years

Construction completion period
1 year

GOVERNMENT INCENTIVES

- Crop subsidies with a base rate of approximately **120 USD.**
- Irrigation systems are available with a **20%** down payment and a **40%** discount, complemented by a **40%** interest-free loan.
- Approved list of equipment eligible for agricultural subsidies.
- Agricultural producers exempt from land tax and certain taxes.

MODERN ANIMAL HUSBANDRY COMPLEX PROJECT

MODERN ANIMAL HUSBANDRY COMPLEX PROJECT

Project definition
The initiative entails establishing a contemporary animal husbandry complex in the Gobustan region, spanning 1,556 hectares. The project is designed to boost the agricultural and animal husbandry fields with state-of-the-art practices and infrastructure to improve livestock management and productivity. The annual production capacity includes 8,500 tons of milk, 43.3 tons of meat, the sale of 200 calves, and the production of 6,700 tons of organic fertilizer. The project concept involves constructing a modern animal husbandry complex with main products including milk, organic fertilizers, and red meat, contributing to the agriculture and animal husbandry sectors.

Value Proposition
The project is designed to enhance livestock management and productivity through advanced practices and infrastructure. With an annual production capacity of 8,500 tons of milk and 43.3 tons of meat, the complex promises substantial output. Additionally, the sale of 200 calves and the production of 6,700 tons of organic fertilizer further diversify revenue streams. Azerbaijan's robust agricultural sector and increasing demand for organic products provide strong market opportunities, ensuring the project's long-term viability and profitability.

Location
Gobustan region

Project type
Greenfield

Landuse
1,6 thsd ha

ECONOMIC INDICATORS

Total investment required
13,3 mln USD

Construction period
1 years

Annual production value
4,7 mln USD

Annual average profit
1,9 mln USD

Payback period (construction period included)
6 years

GOVERNMENT INCENTIVES

- Approximately **60 USD** subsidy for each calf born via artificial insemination.
- Approved list of equipment eligible for agricultural subsidies.
- Agricultural producers exempt from **land tax** and certain taxes.

MODERN ANIMAL HUSBANDRY COMPLEX PROJECT

MODERN ANIMAL HUSBANDRY COMPLEX PROJECT

Project definition
The project aims to create a modern animal husbandry complex in the Sheki region, sprawling over 4,046 hectares. The goal is to enhance the agriculture and animal husbandry sectors through the introduction of advanced farming facilities and practices, thereby improving livestock care and productivity. The complex will focus on agriculture, dairy production, and animal husbandry, with primary products being milk and red meat.

Value Proposition
The Farm currently has significant unused capacity in terms of available land and yield optimization, providing room for expansion and increased productivity. Strategic, modest investments can unlock new sales channels, substantially enhancing profitability. The annual production capacity is projected to be 14,000 tons of milk and 72.2 tons of meat. This investment promises robust returns through optimized capacity, expanded market reach, and leveraging premium raw materials and established export markets.

Location
Sheki region

Project type
Greenfield

Landuse
4 thsd ha

ECONOMIC INDICATORS

Total investment required
29,9 mln USD

Construction period
2 years

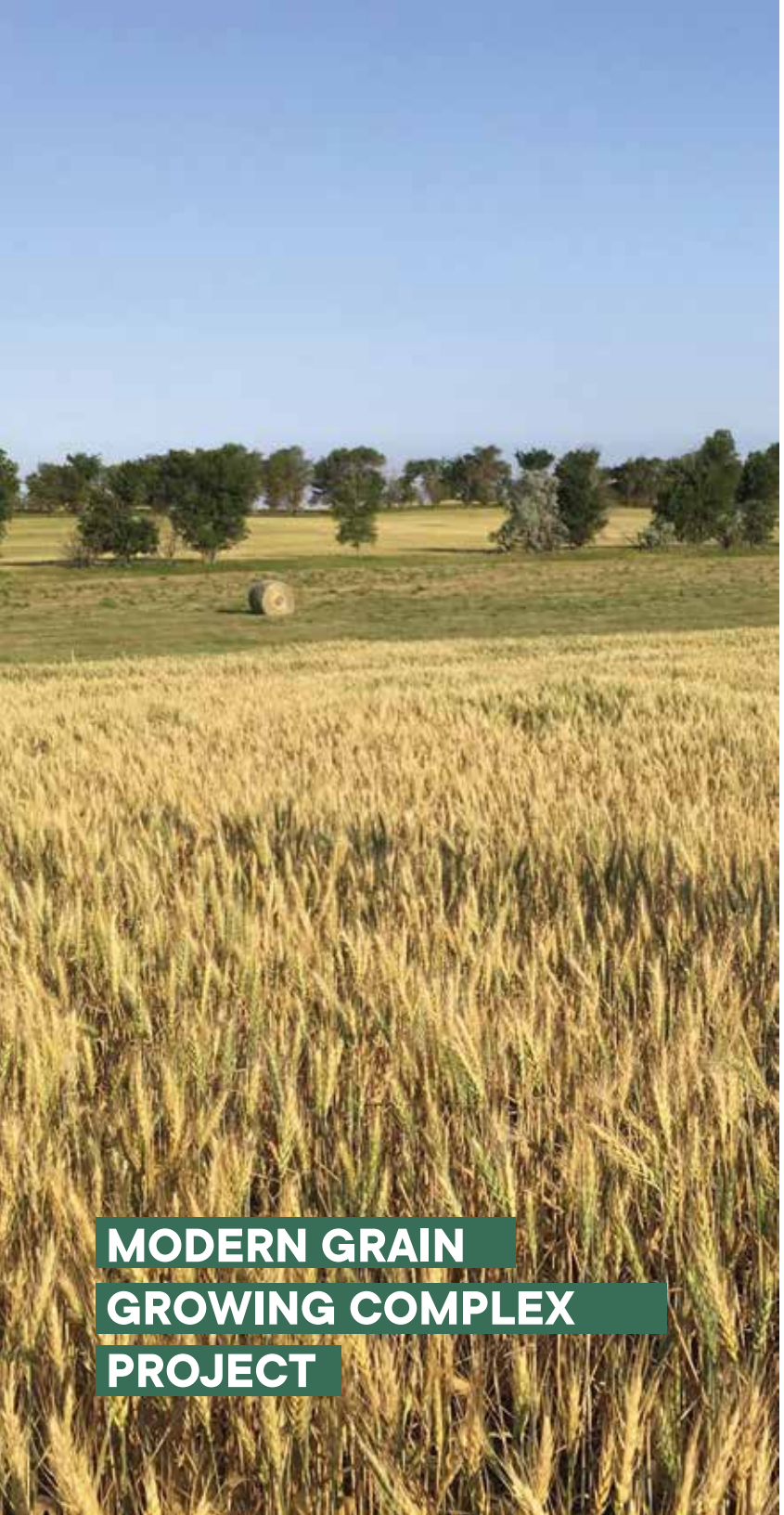
Annual production value
9,9 mln USD

Annual average profit
4,2 mln USD

Payback period (construction period included)
9,9 years

GOVERNMENT INCENTIVES

- Approximately **60 USD** subsidy for each calf born via artificial insemination.
- Approved list of equipment eligible for agricultural subsidies.
- Agricultural producers exempt from **land tax** and certain taxes.



MODERN GRAIN GROWING COMPLEX PROJECT

MODERN GRAIN GROWING COMPLEX PROJECT

Project definition
The project entails the establishment of a modern grain growing complex focused on food wheat production in the Zardab region, encompassing 2,570 hectares. The aim is to boost the agriculture and cultivation sectors through the implementation of advanced agricultural practices and technologies. The project concept involves constructing a modern grain growing complex specifically for food wheat production.

Value Proposition
The Farm will implement advanced agricultural practices and technologies to enhance productivity and sustainability. With an annual production capacity projected at 19,600 tons of wheat, this project promises to significantly contribute to the region's agricultural output. This investment promises robust returns through optimized capacity, expanded market reach, and leveraging premium raw materials and established export markets.

Location
Zardab region

Project type
Greenfield

Landuse
2,5 thsd ha

ECONOMIC INDICATORS

Total investment required
36,5 mln USD

Construction period
2 years

Annual production value
5,4 mln USD

Annual average profit
2,9 mln USD

Payback period
(construction period included)
10,2 years

GOVERNMENT INCENTIVES

- Irrigation systems are available with a **20%** down payment and a **40%** discount, complemented by a **40%** interest-free loan.
- A 5-year subsidy of approximately **60 USD** per ton is offered for food wheat from farms using modern irrigation, delivered to Azerbaijan's State Reserves Agency and flour mills.
- Crop subsidies with a base rate of approximately **120 USD.**
- Approved list of equipment eligible for agricultural subsidies.
- Agricultural producers exempt from land tax and certain taxes.

YEVLAKH PILOT AGROPARK PROJECT

YEVLAKH PILOT AGROPARK PROJECT

Project definition
Yevlakh Pilot Agropark is a government-supported agro-industrial complex designed to integrate small and medium-sized farms into a structured agricultural cluster. The agropark provides modern infrastructure, administrative support, and investment incentives to enhance agro-industrial development. The project aims to establish processing facilities within the agropark. These facilities will add value to agricultural products through processing and packaging, creating a sustainable and profitable agro-industrial ecosystem.

Value Proposition
The establishment of processing facilities within Yevlakh Pilot Agropark presents significant opportunities. The agropark is an ideal location for agro-processing businesses focusing on dried fruits, fresh-fruit processing, frozen fruits and vegetables, meat and dairy products, baby foods, seed processing, animal feeds, pasta, canned products, fertilizers, and packaging solutions. With government support and ready infrastructure, investors can benefit from a streamlined business environment and access to a growing market.

Location
Yevlakh Pilot Agropark
1,2 thsd ha area divided into parcels
1 thsd ha planting of fodder crops and sugar beet
269 ha cotton and grain growing
141 ha processing and social zone
50 ha processing zone
9 ha social zone
11 ha breeding broiler egg production factory
71 ha of protection strips and 3 000 head of beef cattle complex

Landuse
2,8 thsd ha

Project type
Greenfield

Number of jobs
500 people permanent, **1000** people seasonal

ECONOMIC INDICATORS

Value of the project
60,5 mln USD
Note: The project can be divided into parcels for investors.

GOVERNMENT INCENTIVES

- Crop subsidies with a base rate of approximately **120 USD.**
- Irrigation systems are available with a **20%** down payment and a **40%** discount, complemented by a **40%** interest-free loan.
- Approved list of equipment eligible for agricultural subsidies.
- Agricultural producers exempt from land tax and certain taxes.

CONSTRUCTION OF A WINE PRODUCTION FACILITY

CONSTRUCTION OF A WINE PRODUCTION FACILITY

Project definition

In the Kurdmashi village of the Ismayilli district, Azerbaijan Republic, a project is underway to establish a modern winery spanning 1 hectare. The objective of the project is to achieve an annual production capacity of 5 million standard bottles of high-quality wines. Equipped with state-of-the-art production technology sourced from leading countries, the project aims to produce a diverse range of wines including White, Red, Rosé, and Sparkling varieties. The utilization of Italian and French grape varieties further underscores the commitment to delivering premium and competitive products across various market segments. To facilitate construction and operations, the project intends to leverage state subsidies, investment incentives, and other planned support mechanisms.

Value Proposition

The region's rich history of viticulture, with existing vineyards covering 116 hectares valued at 8 million euros, supports the production of high-quality wines. The vineyards cultivate diverse grape varieties such as Chardonnay, Cabernet Sauvignon, and Merlot, equipped with cutting-edge irrigation systems and a "Climate Station" to optimize growing conditions. Currently, the vineyards provide permanent employment for 60 individuals and offer seasonal employment to 100-120 people. Plans are in place to expand vineyard cultivation by an additional 70 hectares, ensuring sustained growth. This investment promises robust returns through optimized production capacity, leveraging premium grape varieties, and utilizing state-of-the-art technology and support mechanisms.

Location
Ismayilli District, Kurdmashi Village

Type of activity
Wine production

Landuse
1 ha

Number of workers
100-120

Annual production
5 mln bottles of wine

ECONOMIC INDICATORS

Total investment required
10 mln USD

Payback period
(construction period included)
5,5 years

Sales Markets
10% internal market
90% export oriented

Equity IRR
22.3%

Annual average income
3 mln USD

Tourism & Real Estate

CASPIAN DREAM LINER REAL ESTATE PROJECT

CASPIAN DREAM LINER REAL ESTATE PROJECT

Project definition

Caspian Dream Liner is the inaugural construction project on an artificial island within the nation. The facility will include swimming pools on both the deck and bow sections, distinguishing it as a unique architectural endeavor expected to enhance global tourism recognition. The project specifications include a single building comprising 11 floors with a total of 246 apartments, ranging in size from 55 to 660 square meters. Each apartment will be delivered fully furnished and equipped, with parking facilities available both at ground level and underground.

Value Proposition

It is one of the most competitive real estate development projects in the CIS market with no alternatives in Azerbaijan. The project is being developed by international experts, including Crocus Group, Jacobs, and OneToOne, ensuring top-notch quality and expertise. Investors will benefit from special package offers, including various development options. The project promises annual asset value growth of up to 10%, and a turnkey rental business offering passive income with a payback from 8% per year.

Location
Nardaran Settlement, Baku

Project type
Greenfield

Landuse
4,5 ha

ECONOMIC INDICATORS

Total investment required
210-250 mln USD

Construction area
60,000 m²

ROI
40-45%

Investment range
From 80 mln USD

MIAMI RESIDENCE REAL ESTATE PROJECT

MIAMI RESIDENCE REAL ESTATE PROJECT

Project definition
Miami Residence constitutes another significant Sea Breeze initiative, founded on the "city within a city" concept. This development is meticulously planned, transcending the typical residential complex to offer a multifaceted environment conducive to living, relaxation, and work. The project encompasses 7 buildings, each with 10 floors. The number of apartments is yet to be announced. These units will vary in size from 40 to 236.7 square meters and will be delivered in a black box condition, allowing owners to personalize their spaces. Parking will be provided on both ground level and underground.

Value Proposition
It is one of the most competitive real estate development projects in the CIS market with no alternatives in Azerbaijan. The project is being developed by international experts, including Crocus Group, Jacobs, and OneToOne, ensuring top-notch quality and expertise. Investors will benefit from special package offers, including various development options. The project promises annual asset value growth of up to 10% and a turnkey rental business offering passive income with a payback from 8% per year.

Location
Nardaran Settlement, Baku

Project type
Greenfield

Landuse
4,5 ha

ECONOMIC INDICATORS

Total investment required
250-290 mln USD

Construction area
167,000 m²

ROI
35-40%

Investment range
From 30 mln USD

OASIS CRESCENT REAL ESTATE PROJECT

OASIS CRESCENT REAL ESTATE PROJECT

Project definition
Oasis Crescent is a unique crescent-shaped artificial peninsula surrounded by the Caspian Sea. This amazing location will house an innovative real estate complex designed for comfortable living, luxurious holidays, and large-scale events. The hallmark of the peninsula will be the Five Stones project, a complex of buildings that will include apartments, world-famous hotels, and a large congress center.

Value Proposition
It is one of the most competitive real estate development projects in the CIS market with no alternatives in Azerbaijan. The project is being developed by international experts, including Crocus Group, Jacobs, and OneToOne, ensuring top-notch quality and expertise. Investors will benefit from special package offers, including various development options. The project promises annual asset value growth of up to 10% and a turnkey rental business offering passive income with a payback from 8% per year.

Location
Nardaran Settlement, Baku

Project type
Greenfield

Landuse
50 ha

ECONOMIC INDICATORS

Total investment required
2 bln USD

Construction area
1,000,000 m²

ROI
30-35%

Investment range
From 40 mln USD

WAVE RESIDENCE REAL ESTATE PROJECT

WAVE RESIDENCE REAL ESTATE PROJECT

Project definition
Wave Residence is a modern multi-story building designed in an urban style that resembles a wave rapidly rising up to the roof, culminating in an outdoor swimming pool with sun loungers. The top of the building offers a breathtaking view of the resort city, shimmering with all its lights, and a relaxing view of the Caspian coastline, allowing residents to enjoy their personal outdoor pool.

Value Proposition
It is one of the most competitive real estate development projects in the CIS market with no alternatives in Azerbaijan. The project is being developed by international experts, including Crocus Group, Jacobs, and OneToOne, ensuring top-notch quality and expertise. Investors will benefit from special package offers, including various development options. The project promises annual asset value growth of up to 10% and a turnkey rental business offering passive income with a payback from 8% per year.

Location
Nardaran Settlement, Baku

Project type
Greenfield

Landuse
5 ha

ECONOMIC INDICATORS

Total investment required
400-450 mln USD

Construction area
200,000 m²

ROI
35-40%

Investment range
From 40 mln USD

FIVE STONES REAL ESTATE PROJECT

FIVE STONES REAL ESTATE PROJECT

Project definition

Five Stones is a new project by Sea Breeze, located on the Oasis Crescent man-made peninsula. This complex of modern urban buildings overlooks the majestic Caspian Sea, giving it a special authenticity. Along with five buildings featuring apartments, JW Marriot and Hilton hotels are located right on the seashore with personal access to the beach. Five Stones is a project for progressive people who value a high lifestyle and absolute comfort. The green area of the complex includes a children's playground and bicycle paths. Additionally, there are underground parking facilities, a spa, a gym, and restaurants available for residents.

Value Proposition

It is one of the most competitive real estate development projects in the CIS market with no alternatives in Azerbaijan. The project is being developed by international experts, including Crocus Group, Jacobs, and OneToOne, ensuring top-notch quality and expertise. Investors will benefit from special package offers, including various development options. The project promises annual asset value growth of up to 10% and a turnkey rental business offering passive income with a payback from 8% per year.

Location
Nardaran Settlement, Baku

Project type
Greenfield

Landuse
5 ha

ECONOMIC INDICATORS

Total investment required
260-290 mln USD

Construction area
104,000 m²

ROI
45-50%

Investment range
From 50 mln USD

AGRO - ETNO VILLAGE PROJECT

AGRO - ETNO VILLAGE PROJECT

Project definition
The project owner plans to construct a resort complex at a main touristic checkpoint in the country. The development will include a hotel (main building), a spa center, chalets in three different categories, and yurts (ethnic camps). The project also aims to produce 350-400 kilograms of honey annually, 6 tons of grapes annually, and 2 tons of hazelnuts annually. Key infrastructure will include a beekeeping facility, grape yard, hazelnut garden, horse farm, fishery, and lavender rows. The main facilities will consist of a hotel and spa, chalets and cottages, yurt camps, and a lake.

Value Proposition
A group of experts will implement sustainable project management practices, ensuring the project's longevity and environmental responsibility. Hospitality and hotel management specialists will oversee the day-to-day operations throughout the entire year, ensuring high service standards. The site will produce honey, grapes, and hazelnuts, adding unique value to the resort's offerings. This project promises a blend of luxurious accommodation and unique local products, making it a competitive and attractive investment in the tourism sector.

Location
Shamakhi (Chukhuryurd village)

Project type
Greenfield

Permanent employment
80+ people

ECONOMIC INDICATORS

Total investment required
8,2 mln USD

Investment made
1,7 mln USD

Construction completion period
2 years

Payback period
(construction period excluded)
4.6 years

GOVERNMENT INCENTIVES

- Crop subsidies with a base rate of approximately **120 USD.**
- Irrigation systems are available with a **20%** down payment and a **40%** discount, complemented by a **40%** interest-free loan.
- Approved list of equipment eligible for agricultural subsidies.
- Agricultural producers exempt from land tax and certain taxes.

KARABAKH HOTELS & RESORTS PROJECT

KARABAKH HOTELS & RESORTS PROJECT

Project definition
The project "Karabakh Hotels and Resorts" encompasses the business concept of building hotels and engaging in hotel activities aligned with the tourism potential of Shusha city and the tourist regions of Kalbajar and Lachin. The project aims to construct modern hotels and resorts in the Karabakh region, with operations anticipated for ten years without reinvesting in fixed assets. The total investment cost, including land preparation, construction of additional buildings and warehouses, and the placement of equipment, is predicted to be 4.3 million USD.

Value Proposition
The project aims to capitalize on the growing tourism potential in the Karabakh region by constructing modern hotels and resorts. With a total investment of 4.3 million USD, the project includes essential land preparation and equipment installation. These hotels and resorts will operate for ten years without needing reinvestment in fixed assets, providing a unique opportunity to engage in the flourishing tourism and hospitality market.

Location
Karabakh region

Project type
Greenfield

ECONOMIC INDICATORS

Total investment required
4,2 mln USD

Financing structure
78.2% equity
21.8% debt

Financing structure
34.8%

Discount rate
22.2%

GOVERNMENT INCENTIVES

Subsidies and State Support

- Up to approximately **300 USD** portfolio with a approximately **270 USD** state guarantee.
- Max approximately **3 mln USD** per business.
- Max **15%** annual interest, up to **7-year** term, with up to **36 months** grace period.
- State guarantee up to **90%** of loan, interest subsidy covers **10%** for up to **36 months.**

For 10 years (starting from January 1, 2023)

- **0%** corporate tax, property and land tax, VAT on imports of technological equipment;
- **20%** discount on utility services (electricity. natural gas, water supply and wastewater discharge service) consumed monthly;
- Subsidization of the mandatory state social insurance fee;
- Exemption for dividend incomes of stakeholders and stockholders;
- Provision of loans with state guarantee and subsidization of loan interest.

VAGON REAL ESTATE PROJECT

VAGON REAL ESTATE PROJECT

Project definition
The project entails the development of a mixed-use complex within a 4.5-hectare area located in the heart of Baku. This comprehensive development is designed to include eleven residential apartment buildings, two commercial office spaces, and a single shopping center. Located in the center of Baku, it offers excellent access to all amenities and represents a rare, large-scale opportunity to develop real estate in the city's center.

Value Proposition
The project is designed to transform the urban landscape of Baku with luxury residential and commercial spaces, promising annual growth in asset value of up to 10%. Its prime location in the heart of Baku ensures excellent access to amenities, enhancing the appeal to residents and businesses alike. This large-scale development opportunity in central Baku is poised to significantly enhance real estate value and meet the growing demand for premium living and commercial spaces. Additionally, the project offers various partnership models including outright sale, turnkey solutions, and joint development, providing flexible investment opportunities tailored to diverse investor needs.

Location
Baku city, Azerbaijan

Project type
Greenfield

Landuse
4,5 ha

ECONOMIC INDICATORS

Total investment required
97 mln USD

Financing structure
50% equity
50% debt

Construction area
168,156 m²

ROI
30-35%

Investment range
From 50 mln USD

DARNAGUL RESIDENTIAL COMPLEX PROJECT

DARNAGUL RESIDENTIAL COMPLEX PROJECT

Project definition

Within the framework of this investment project, the construction of a new residential complex is planned in the territory of Baku city. The residential and business complex built as part of the investment project will consist of 16-level residential buildings, an 18-level business center, a shopping center, and an underground parking area covering approximately 19,000 m². Additionally, the project includes a kindergarten with 100 seats, a school with 528 seats covering 5,000 m², and various sports facilities. The planned number of residential apartments is 1,200 units.

Value Proposition

The project will significantly upgrade Baku's infrastructure by introducing a multifaceted complex with ample parking and state-of-the-art facilities. It enriches the community by integrating educational facilities and recreational spaces, fostering economic development, and enhancing community cohesion by creating housing and employment opportunities. Additionally, the project offers various partnership models including outright sale, turnkey solutions, and joint development, providing flexible investment opportunities tailored to diverse investor needs. This comprehensive development promises robust returns through optimized capacity, expanded market reach, and leveraging premium facilities and established support mechanisms.

Location
Absheron

Project type
Greenfield

ECONOMIC INDICATORS

Total investment required
65 mln USD

Financing structure
78.2% equity
21.8% debt

Equity IRR
36%

Discount rate
20.3%

UHOM

Project definition

The project entails the development of a global hypermarket chain hub offering products for homes, apartments, summer cottages, gardens, and offices. This hypermarket will include showrooms, household equipment, construction materials & tools, professional services, and furniture, accessories, and home textile segments. The hub will feature various services such as top architectural firms for client consultations, precise cost estimations for construction or renovations, turnkey delivery ensuring on-time project completion, leading real estate agencies showcasing a range of properties, introductions to new real estate projects with transaction support, and top banks providing real estate loans and services.

Value Proposition

The project will integrate multiple segments, including household equipment, showrooms, professional services, furniture, accessories, home textiles, and construction materials & tools, into one comprehensive hub. This greenfield project promises a robust return on investment by leveraging a wide array of products and services under one roof. The inclusion of design and architecture services, precise cost estimations, turnkey project delivery, real estate services, and financial support from top banks ensures a complete and seamless customer experience. This innovative approach is designed to meet the diverse needs of consumers, fostering economic growth and enhancing customer satisfaction.

Landuse

An area of **40,000 m²** will be built in two floors on the territory of **4 ha** of land, **2 ha** of which will be designated for the area

Project type

Greenfield

ECONOMIC INDICATORS

Total investment required

17 mln USD

Payback period

5 years

Annual rental profit

6,9 mln USD

Annual rental income

11 mln USD

Chemical Industry

POLYSTYRENE PRODUCTION PROJECT

POLYSTYRENE PRODUCTION PROJECT

Project definition
The goal of the project is the construction of a polystyrene production plant. The widespread use of polystyrene is due to its low cost, ease of processing, and versatility. Polystyrene is not considered hazardous to the environment, as waste polystyrene and its copolymers are collected and disposed of as obsolete products. The local demand for polystyrene is 4,400 tons annually. The primary raw material for production is styrene, which is produced from ethylbenzene. The main product of the plant will be polystyrene.

Value Proposition
Investing in this polystyrene production plant offers significant returns and strategic advantages. The project meets the local demand of 4,400 tons annually, ensuring a steady market. Polystyrene's low cost and ease of processing make it a highly sought-after material in various industries. The plant will utilize styrene produced from ethylbenzene, ensuring a reliable supply chain for raw materials. Polystyrene's environmental safety and the proper disposal of its waste enhance the project's sustainability and appeal. This investment promises robust returns through optimized production processes, meeting local demand, and leveraging the widespread application of polystyrene across multiple sectors.

Location
Sumgait Chemical Industrial Park

Project type
Greenfield

Landuse
7,5 ha

Annual production
4,3 thsd tons

Number of workplaces
30 people

ECONOMIC INDICATORS

Total investment required
21,6 mln USD

Construction period
45 months

Equity IRR
9.97%

Payback period
(construction period excluded)
9.7 years

GOVERNMENT INCENTIVES

For residents of industrial parks for 10 years:
- **0%** customs duty on hardware, technological equipment and structures imported by residents.

For 10 years:
- **0%** corporate tax;
- **0%** property and land tax;
- **0%** VAT on imports of technological equipment.

POLYVINYL CHLORIDE PRODUCTION PROJECT

POLYVINYL CHLORIDE PRODUCTION PROJECT

Project definition
The goal of the project is the construction of a polyvinyl chloride (PVC) production plant. The project will focus on producing polyvinyl chloride from ethylene, leveraging ethylene raw materials produced within the country.

Value Proposition
Investing in this polyvinyl chloride production plant offers substantial returns and strategic advantages. The project will address the local demand of 20,000 tons of PVC annually, ensuring a stable market for the product. The plant will utilize 9,100 tons of ethylene and 11,500 tons of chlorine as raw materials, ensuring a reliable supply chain sourced domestically. Polyvinyl chloride is a versatile material with widespread applications, making it a highly valuable product in various industries. This investment promises robust returns through optimized production processes, meeting local demand, and leveraging the extensive application of PVC in construction, manufacturing, and other sectors.

Location
Sumgait Chemical Industrial Park

Project type
Greenfield

Landuse
7,5 ha

Annual production
17.4 thsd tons

Number of workplaces
30 people

ECONOMIC INDICATORS

Total investment required
29,7 mln USD

Construction period
45 months

Equity IRR
30.8%

Payback period (construction period excluded)
4.1 years

GOVERNMENT INCENTIVES

For residents of industrial parks for 10 years:
- **0%** customs duty on hardware, technological equipment and structures imported by residents.

For 10 years:
- **0%** corporate tax;
- **0%** property and land tax;
- **0%** VAT on imports of technological equipment.

MELAMINE PRODUCTION PROJECT

MELAMINE PRODUCTION PROJECT

Project definition
The project aims to construct a melamine production plant. The plant will produce melamine for various applications, including construction, durable coatings, decorative laminates, concrete additives, fire retardant materials, paper components, and coloring solutions for automobiles and household items. Additionally, the plant will manufacture packaging plastics for various products using diverse fillers. The local demand for melamine is 17,500 tons annually. The primary raw material for production is carbamide, with an annual requirement of 50,000 tons, which is available locally.

Value Proposition
Investing in this melamine production plant offers significant returns and strategic advantages. The project will cater to the local demand of 17,500 tons annually, ensuring a stable market. Utilizing 50,000 tons of locally available carbamide as the primary raw material ensures a reliable and cost-effective supply chain. Melamine's versatile applications in construction, coatings, laminates, concrete additives, fire retardants, paper components, and automotive coloring solutions make it a highly valuable product. The production of packaging plastics using diverse fillers further enhances the plant's product range. This investment promises robust returns through optimized production processes and leveraging the extensive application of melamine in various industries.

Location
Sumgayit Chemical Industrial Park

Project type
Greenfield

Landuse
7,5 ha

Annual production
17.5 thsd tons

Number of workplaces
30 people

ECONOMIC INDICATORS

Total investment required
23,6 mln USD

Construction period
45 months

Equity IRR
37%

Payback period
(construction period excluded)
4.3 years

GOVERNMENT INCENTIVES

For residents of industrial parks for 10 years:
- **0%** customs duty on hardware, technological equipment and structures imported by residents.

For 10 years:
- **0%** corporate tax;
- **0%** property and land tax;
- **0%** VAT on imports of technological equipment.

PROPYLENE OXIDE PRODUCTION PROJECT

PROPYLENE OXIDE PRODUCTION PROJECT

Project definition
The project entails the construction of a plant dedicated to producing propylene oxide. This versatile chemical will be utilized in the manufacture of polyurethane plastics, propylene glycol, and glycol ethers, demonstrating a commitment to innovation while upholding environmental and safety standards. The local demand for propylene oxide is 13,300 tons annually. The primary raw materials required for production are 9,700 tons of propylene and 7,800 tons of hydrogen peroxide.

Value Proposition
Investing in this propylene oxide production plant offers substantial returns and strategic advantages. The project will cater to the local demand of 13,300 tons annually, ensuring a stable market. Utilizing 9,700 tons of propylene and 7,800 tons of hydrogen peroxide as raw materials ensures a reliable and efficient supply chain. Propylene oxide's applications in the manufacture of polyurethane plastics, propylene glycol, and glycol ethers make it a highly valuable product. This investment promises robust returns through optimized production processes, meeting local demand, and leveraging the extensive application of propylene oxide in various industries.

Location
Sumgayit Chemical Industrial Park

Project type
Greenfield

Landuse
7,5 ha

Annual production
13,4 thsd tons

ECONOMIC INDICATORS

Total investment required
19,5 mln USD

Construction period
45 months

Number of workplaces
35 people

Payback period
(construction period excluded)
6 years

Equity IRR
23,7%

GOVERNMENT INCENTIVES

For residents of industrial parks for 10 years:
- **0%** customs duty on hardware, technological equipment and structures imported by residents.

For 10 years:
- **0%** corporate tax;
- **0%** property and land tax;
- **0%** VAT on imports of technological equipment.

MODERNIZATION AND RESTART OF THE ALUMINA FACTORY

MODERNIZATION AND RESTART OF THE ALUMINA FACTORY

Project definition

The existing alumina refinery has an annual production capacity of 480,000 tons per year. The restart of the refinery by "Azeraluminium" LLC aims to minimize the import of alumina, reduce production costs, and generate additional profit. The factory was closed due to the aging components of the production equipment and limited sales opportunities resulting from outdated production methods. This investment project seeks to boost efficiency and diversify sales by modernizing equipment and updating production methods.

Value Proposition

Investing in the modernization and restart of the alumina refinery offers substantial returns and strategic advantages. The project's aim is to reduce production costs and enhance efficiency through updated production methods and modernized equipment. With an annual production capacity of 480,000 tons of aluminium oxide, the refinery will significantly reduce the need for alumina imports. Utilizing locally sourced alunite from the Ganja and Dashkasan deposits ensures a stable and cost-effective supply chain. This investment promises robust returns by improving production efficiency, reducing costs, and leveraging modern production techniques to meet market demands effectively.

Location
Ganja city

Project type
Brownfield

Annual production
480 thsd tons

ECONOMIC INDICATORS

Total investment required
105 mln USD

Payback period (construction period included)
7 years

Construction period
3 years

IRR
19%

GOVERNMENT INCENTIVES

For investment promotion document holders for 7 years:

- Exemptions on **50%** income tax;
- Exemptions on **50%** profit taxes.

For investment promotion document holders for 7 years:

- **0%** property taxes;
- **0%** land taxes;
- **0%** customs duties;
- **0%** VAT on imported equipment.

- **Note:** The aforementioned project is of strategic nature
- **Note:** Payback period calculated excluding benefits

EXPANSION OF ALUMINUM PRODUCTION FACILITY

EXPANSION OF ALUMINUM PRODUCTION FACILITY

Project definition

The project aims to achieve economies of scale by doubling the current primary aluminum production from 50,000 tons per year to 100,000 tons per year. This will lower unit costs, enhance competitiveness, and expand the production volume of end products. The project includes the acquisition, construction, and commissioning of technological equipment for a new electrolysis plant, leveraging the partially ready energy supply infrastructure for the newly established

Value Proposition

Investing in this project offers significant returns by increasing primary aluminum production to 100,000 tons per year, thereby lowering unit costs and enhancing competitiveness. The project will utilize the existing energy supply infrastructure, reducing additional costs. Proposed financing includes obtaining credit, establishing a public-private joint venture, and securing funding from the state budget. This strategic investment promises robust returns through increased production efficiency and expanded market reach.

Location

Ganja city

Type of activity

Heavy industry

Number of workers

1000 people

ECONOMIC INDICATORS

Total investment required

300 mln USD

Payback period

8-10 years

Proposed financing scheme and joint venture distribution:

- Obtaining credit
- Establishing a joint venture based on public-private partnership
- Funding from the state budget

GOVERNMENT INCENTIVES

For investment promotion document holders for 7 years:

- Exemptions on **50%** income tax;
- Exemptions on **50%** profit taxes.

For investment promotion document holders for 7 years:

- **0%** property taxes;
- **0%** land taxes;
- **0%** customs duties;
- **0%** VAT on imported equipment.

- **Note:** The aforementioned project is of strategic nature
- **Note:** Payback period calculated excluding benefits

PRODUCTION OF BITUMEN PRODUCTS

PRODUCTION OF BITUMEN PRODUCTS

Project definition
The project focuses on producing bitumen-based materials for road construction, waterproofing, and industrial use. The facility will manufacture primers, polymer-modified bitumen, emulsions, and roll membranes using high-quality raw materials. With an annual capacity of over 85,000 tons it will serve both domestic and international markets.

Value Proposition
The project will provide 85,000 tons of durable, cost-effective, and sustainable bitumen products for infrastructure development, primarily using domestically sourced raw materials. By utilizing advanced production techniques and incorporating 5 million liters of recycled materials, it ensures environmental responsibility and competitive pricing.

Landuse
2 ha

Number of workers
30 people

Production capacity
30,000 tons of bitumen primers
10,000 tons of PMB products
40,000 tons of bitumen emulsions
5 million m^2 of roll membranes

ECONOMIC INDICATORS

Total investment required
10-15 mln USD

Sales Markets
Domestic and international

Raw Material
Most raw materials, including bitumen feedstock, solvents, emulsifiers, additives, polymers, and fillers, can be primarily sourced domestically.

GOVERNMENT INCENTIVES

For residents of industrial parks for 10 years:
- **0%** customs duty on hardware, technological equipment and structures imported by residents.

For 10 years:
- **0%** corporate tax;
- **0%** property and land tax;
- **0%** VAT on imports of technological equipment.

PRODUCTION OF DIALYSIS FILTERS

PRODUCTION OF DIALYSIS FILTERS

Project definition
This project aims to produce high-quality dialysis filters to support the treatment of kidney failure patients, ensuring reliable and efficient performance. By utilizing specialized imported polymer materials, the facility will meet both domestic and international demand for essential medical equipment.

Value Proposition
With an annual production capacity of 2–3 million units and given that this product is entirely dependent on imports in Azerbaijan, the project will not only meet domestic demand but also has strong potential for export to international markets.

Landuse
0,5 ha

Production capacity
2-3 mln units

Number of workers
40 people

ECONOMIC INDICATORS

Total investment required
5-10 mln USD

Raw Material
Special polymer materials (to be imported)

Sales Markets
Domestic and international

GOVERNMENT INCENTIVES

For residents of industrial parks for 10 years:
- **0%** customs duty on hardware, technological equipment and structures imported by residents.

For 10 years:
- **0%** corporate tax;
- **0%** property and land tax;
- **0%** VAT on imports of technological equipment.

Renewable Energy

PRODUCTION OF ENERGY FROM ALTERNATIVE SOURCES

PRODUCTION OF ENERGY FROM ALTERNATIVE SOURCES

Project definition
Azeraluminium LLC plans to build a plant to produce electricity from renewable energy sources, specifically wind and solar. This plant will supply electricity to the company's projects, particularly focusing on the electrolysis process used in the continuous 24/7 production of primary aluminum. The project aims to produce energy from alternative sources with a total planned production capacity of up to 400 MW.

Value Proposition
Investing in this renewable energy plant offers substantial returns and strategic advantages. By utilizing wind and solar power, Azeraluminium LLC will ensure a sustainable and cost-effective electricity supply for its aluminum production processes, particularly the energy-intensive electrolysis process. The planned production capacity of up to 400 MW will significantly reduce reliance on non-renewable energy sources, leading to lower production costs and enhanced environmental sustainability. This investment not only aligns with global trends toward renewable energy but also promises robust returns through reduced energy expenses and improved operational efficiency.

Location
Ganja city

Project type
Greenfield

ECONOMIC INDICATORS

Total investment required
250 mln USD

Annual electricity consumption
800m kw/h

Construction period
3-5 years

Payback period
(construction period included)
25 years

Equity IRR
20%

GOVERNMENT INCENTIVES

For investment promotion document holders for 7 years:
- Exemptions on **50%** income tax;
- Exemptions on **50%** profit taxes.

For investment promotion document holders for 7 years:
- **0%** property taxes;
- **0%** land taxes;
- **0%** customs duties;
- **0%** VAT on imported equipment.

Note: The aforementioned project is of strategic nature

Heavy Industry

"QARABAG STEEL" PROJECT

"QARABAG STEEL" PROJECT

Project definition
The Qarabag Steel project aims to position itself as a leader in the steel industry, focusing on advanced production lines for steel profiles with diameters of 13-51 mm and 51-152 mm, meeting strong demand in domestic and international markets.

Value Proposition
Investing in the Qarabag Steel project offers strong returns and strategic benefits. Market analysis shows a high demand for steel profiles, with 86,100 tons for 13-51 mm profiles and 159,900 tons for 51-152 mm profiles. Domestic production currently meets only a small portion of this demand, creating a significant market opportunity. The competitive landscape features a few major players, and the project is well-positioned to capture a large market share by enhancing production capacity and quality. This investment promises solid returns by addressing unmet demand for steel profiles, utilizing advanced production lines, and positioning Qarabag Steel as a leader in both domestic and global markets.

Location
Aghdam Industrial Park

Project type
Greenfield

Landuse
5 ha

Number of workers
94

ECONOMIC INDICATORS

Sales orientation
40% for local market
60% for export

Value of the project
19 mln USD

Annual production
230 thsd tons

Required investment **9 mln USD**
Investment made **10 mln USD**

GOVERNMENT INCENTIVES

Subsidies and State Support

- Up to approximately **300 USD** portfolio with a approximately **270 USD** state guarantee.
- Max approximately **3 mln USD** per business.
- Max **15%** annual interest, up to **7-year** term, with up to **36 months** grace period.
- State guarantee up to **90%** of loan, interest subsidy covers **10%** for up to **36 months.**

For 10 years (starting from January 1, 2023)

- **0%** corporate tax, property and land tax, VAT on imports of technological equipment;
- **20%** discount on utility services (electricity. natural gas, water supply and wastewater discharge service) consumed monthly;
- Subsidization of the mandatory state social insurance fee;
- Exemption for dividend incomes of stakeholders and stockholders;
- Provision of loans with state guarantee and subsidization of loan interest.

Light Industry

CONSTRUCTION OF A NEW COTTON YARN FACTORY

CONSTRUCTION OF A NEW COTTON YARN FACTORY

Project definition

The construction of a new spinning mill in the Republic of Azerbaijan aims to enhance the country's textile industry by moving up the value chain, enabling specialization, and gaining importance in the international market. The plan includes purchasing modern equipment from Europe to produce certified yarn according to the latest standards. Future stages will involve vertical growth along the value chain. The factory will be built in the “Araz Valley Economic Zone” (“AVEZ”), which offers special financial benefits and government subsidies. The main products are seedless raw cotton, cotton seed, technical cotton, and cotton oil. The company’s products are primarily exported to Türkiye, Tajikistan, Iraq, and Kazakhstan.

Value Proposition

Investing in the new spinning mill project offers substantial returns and strategic advantages. The factory's location in the “Araz Valley Economic Zone” (AVEZ) provides special financial benefits and government subsidies, reducing operational costs and increasing profitability. The use of modern European equipment ensures the production of high-quality, certified yarn that meets the latest standards, enhancing the company's competitive edge. The company already has a strong export market, with its products mainly going to Türkiye, Tajikistan, Iraq, and Kazakhstan. During the 2021-2022 season, the company cultivated 25,520 hectares and harvested 78,685 tons of raw cotton. The estimated production includes 8,900 tons of yarn and 2,200 tons of by-products annually. The required amount of cotton as a raw material is 11,200 tons, which will be provided by the subsidiary company. This investment promises robust returns through optimized production processes, increased specialization, and strengthened international market presence.

Location

The Araz Valley Economic Zone (AVEZ), Jabrayil region of Azerbaijan

Project type

Greenfield

Daily production capacity

550 tons/day

ECONOMIC INDICATORS

Total investment required

55 mln USD

Payback period (construction period included)

5 years

GOVERNMENT INCENTIVES

For residents of industrial parks for 10 years:

- **0%** customs duty on hardware, technological equipment and structures imported by residents.

For 10 years:

- **0%** corporate tax;
- **0%** property and land tax;
- **0%** VAT on imports of technological equipment.

azpromo

Export and Investment Promotion Agency
of the Republic of Azerbaijan

Baku Business Center
Neftchilar ave. 32, AZ1000
Baku, Azerbaijan
T: +994 (12) 598 0147 / +994 (12) 598 0148
E: office@azpromo.gov.az

www.azpromo.az