Azerbaijan Country Report 2022

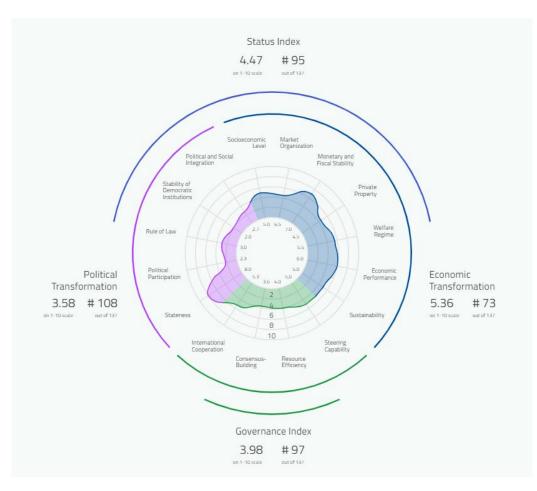
Country Profile

Azerbaijan is known as "the Land of Fire", a country of unique nature and richness in culture and history. Azerbaijan has a population of about 10 million people and its stunning economic development over past decades is based on its rich oil reserves and a strategically oriented leadership strongly investing in the development of infrastructure, high-tech and tourism. Its capital Baku is called "The Pearl of the Caspian Region" and has a population of about 3 million. Baku seamlessly combines its ancient history in the "Old City" with modern architecture and infrastructure. It is one of the World's most rapidly developing cities and it has become an internationally recognized hub for business in the region and a main destination for hosting large-scale international conventions and events, such as the Eurovision Song Contest, UN/UNESCO conferences, Formula 1 Grand Prix Azerbaijan, European Youth Olympic games, the World Forum of Open Societies and many more, thanks to the availability of numerous world-class facilities.



Baku is easily accessible through direct flights from 30 cities today and – as planned by 2022 – from 80 cities, it has a modern 5 star Skytrax award-winning airport and it is internationally also well connected through Istanbul with its new and biggest airport worldwide. State-of-the-art transportation and accommodation facilities have been built up over the past years in support of major international events hosted in Baku making it easy for delegates to get around and find high standard and cost-efficient accommodation. Baku is also a very attractive tourist destination offering a large number of social tours options.

State of Affairs



Source: https://bti-project.org/en/reports/country-report/AZE

Political System

The Constitution of Azerbaijan was adopted on 12 November 1995 by popular referendum.

Azerbaijan state is a democratic, legal, secular, unitary republic. State power in the Azerbaijan Republic is based on the principle of separation of powers: legislative power is exercised by the Milli Majlis of the Azerbaijan Republic, the executive power is vested in the President of the Azerbaijan Republic, the judicial power is exercised by the courts of the Azerbaijan Republic. In accordance with the provisions of the Constitution, the legislative, executive and judicial power interact and are independent within their powers.

Azerbaijan is a presidential republic. Azerbaijani President is the President of the Azerbaijan Republic. He represents the state of Azerbaijan in the country and in foreign relations and embodies the unity of the people of Azerbaijan and ensures the continuity of the Azerbaijan statehood, he is the guarantor of the independence and territorial integrity of the Azerbaijani state, Supreme Commander – in - chief of the Military Forces of Azerbaijan Republic.

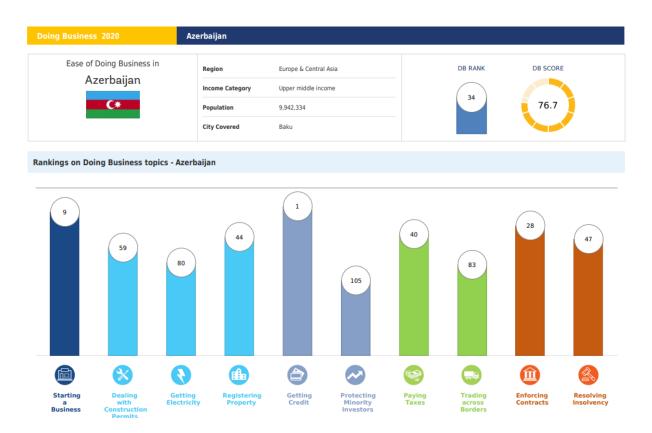
Important role in the political system of Azerbaijan bested by local authorities. Local governments are formed through elections. The State guarantees the local governments to judicial protection, recovery of additional costs associated with the execution of decisions of the branch executive power.



Source: https://supremecourt.gov.az/en/static/view/24

Business Climate

Azerbaijan was in 34th place out of 191 countries on the World Bank's "Doing Business 2020" report with a score of 76.



Source: <u>https://documents1.worldbank.org/curated/en/688761571934946384/pdf/Doing-Business-</u> 2020-Comparing-Business-Regulation-in-190-Economies.pdf In 2016, President Aliyev signed a decree establishing a free trade zone area next to the Alyat seaport, located 65 km south of Baku. Under the recently amended Customs Tariff law, entrepreneurs importing capital equipment for priority sectors will be exempted of taxes up to seven years.

In July 2022, President Aliyev signed a new framework investment law that aims to create a favorable investment climate. According to the decree, the main goal of the state policy in the field of investment activity is to ensure sustainable economic development through local and foreign investment, the development of competitive industries and services, and the introduction of new technologies and innovations in the economy.

Country Comparison For the Protection of Investors	Azerbaijan	Eastern Europe & Central Asia	United States	Germany
Index of Transaction Transparency*	10.0	7.5	7.0	5.0
Index of Manager's Responsibility**	7.0	5.0	9.0	5.0
Index of Shareholders' Power***	8.0	6.8	9.0	5.0

Source: Doing Business, Latest available data

Note: *The Greater the Index, the More Transparent the Conditions of Transactions. **The Greater the Index, the More the Manager is Personally Responsible. *** The Greater the Index, the Easier it Will Be For Shareholders to Take Legal Action.

Source: https://www.lloydsbanktrade.com/en/market-potential/azerbaijan/investment

Priorities for National Government and Civil Society

On 6 December 2016, President Ilham Aliyev signed a decree launching the Strategic Road Maps on the National Economy Perspective and Main Sectors of the Economy (Strategic Road Maps). "Strategic Roadmap for development of logistics and trade in the Republic of Azerbaijan" is developed as a part of an initiative to build a competitive, diversified, inclusive and sustainable economy and further increase the country's competitiveness. Deepening Azerbaijan's integration into the regional and global economy is among the objectives beyond 2025. For the government, the Strategic Road Maps are a way to cement a path for strong, sustained, and shock-resilient growth. The Strategic Road Maps have four core targets: (i) to strengthen fiscal sustainability and adopt a sustainable monetary policy, (ii) to facilitate privatization and reforms for state-owned enterprises, (iii) to develop human capital, and (iv) to develop a favorable climate for business.

Source: <u>https://www.adb.org/sites/default/files/publication/624476/aze-diversified-resilient-inclusive-development.pdf</u>

Schedule 1. Amount of investment required for the actions to be taken within the frame of the strategic roadmap and expected results

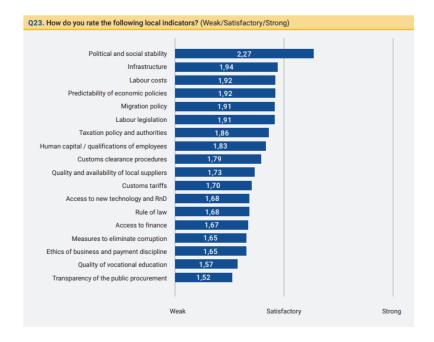
No	Description of priority	Real GDP impact (2020), AZNmIn	Employment, (full-time employment, , 2020)	Investment, AZNmin
1.1.	Strengthening the leading role of Azerbaijan as a regional logistics and trade hub	380	5500	-
1.2.	Completion of New Port of Baku complex situated at Alat settlement, Baku – Tbilisi – Qars railway and Astara – Astara railway projects	-	6700	1200
1.3.	Improving logistics operations	-	-	1400
2.1.	Turning Baku into a trade hub of regional importance	145	2900	430
2.3.	Establishing logistics centres in Baku and throughout the country	65	3800	130
3.1.	Increasing share of the private-sector in the logistics sector	15	-	-

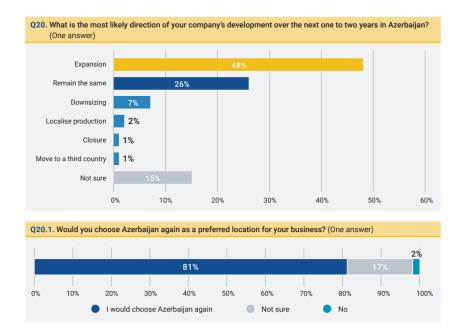
Note 1: Only strategic priorities that will have GDP impact more than AZN 10 million and will allow to open more than 100 new jobs are shown in this table. Other priorities play supportive role in achieving the envisaged results.

Source: https://monitoring.az/assets/upload/files/4eae769862be45d63dcd5b50b1d31844.pdf

Economic Outlook and Strategic Vision

On the account of having rich oil resources, the country itself contributes to the amplification of the worldwide economy. The government generally cooperates with international partners in the area of economic development and technical cooperation. Foreign partners play an essential role in implementing major economic projects. Azerbaijan also hires experts, primarily from Western countries, to run important local projects and state businesses. **Over 400 EU companies did business in Azerbaijan in 2019. The EU is Azerbaijan's largest foreign investor and the union supports the economic diversification of Azerbaijan and promotes reforms to improve the business climate in the country, including through special assistance for agriculture and rural development**. Despite the new challenges, the confidence of European companies in the Azerbaijani economy remains stable. **The businesses evaluate the political and social stability in Azerbaijan as the highest amongst the proposed local indicators.**





Source:

https://www.eeas.europa.eu/sites/default/files/eu business climate report azerbaijan 2020 marc h_verified.pdf

International Cooperation and Capacity Building

At an international crossroads and with strong cultural and historic linkages with Turkey, the Russian Federation and the Islamic Republic of Iran, Azerbaijan could play a significant role in regional cooperation and development. It could become a gateway country for investment into the surrounding region. Azerbaijan is actively expanding cooperation with Gulf countries, organizing the Falcons Summit in 2019 to bring together innovative start-ups and investors from Azerbaijan, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates, and setting up a joint fund with Saudi Arabia. Azerbaijan actively cooperates with post-Soviet and Islamic states on advancing technology-intensive industrial sectors and supporting start-ups.

Azerbaijan also maintains strong cooperation with the EU – already its largest investor and largest trading partner. The EU-Azerbaijan Partnership and Cooperation Agreement supports the diffusion of international best practices in governance and closer alignment with international industrial standards. Azerbaijan is a non-associated country in the EU Horizon 2020 programme, which opens up opportunities for Azerbaijani researchers to collaborate with international peers and compete for international funding.

Source:

https://unece.org/fileadmin/DAM/ceci/icp/Capacity_building/IPO_launch/IPO_2020_4_AZERBAIJAN. pdf

Foreign partners fund most international mobility programmes for researchers and students, with no contribution from the Azerbaijani Government. However, all of these initiatives operate on the basis of bilateral agreements with the Ministry of Education. During 2007– 2015, some 3,500 students received scholarships to study in foreign HEIs through the State Programme on Education of Azerbaijani Youth Abroad. The President's Youth Foundation provides students with full or partial stipends for education at leading universities abroad. The main goal of the State Programme for 2022-2026 is to ensure training of competitive and professional personnel capable of supporting the sustainable development of the Republic of Azerbaijan, rapidly acquiring the knowledge on new

technologies in global markets, having proper practical knowledge and skills, meeting the standards of current and future labor market by creating opportunities for young people to study in prestigious foreign universities.

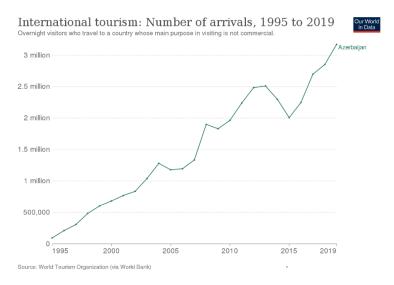
Source: <u>https://pip-</u> eu.coe.int/documents/42128013/114007071/Azerbaijan_YW_Ch1_Nov2021.pdf/7b29ed2f-99e3b7f1-a3ba-915cf8d2f5ed



Tourism Potential

Tourism in Azerbaijan has been an important sector of the Azerbaijani economy since the 1990s. Before the Covid-19 Pandemic, Azerbaijan was in 39th place in tourism competitiveness indicators among 148 countries according to CESD. The World Travel and Tourism Council reported that **Azerbaijan was among the top ten countries with the greatest increase in visitors from 2010 to 2016**. In 2017, a record-high number of 2,691,998 foreign citizens visited Azerbaijan. **With 46.1 percent increase the country had the world's fastest-developing travel and tourism economy in 2017**.

Tourist visas can be obtained from an Azerbaijani embassy or electronically online without an embassy visit. In 2016, a tax-free shopping system was introduced to attract foreign shoppers. Purchases must be made up to 90 days before export to be eligible for the tax refund. In January 2017, Azerbaijan introduced its electronic visa for a single-entry visit of up to 30 days. The e-visa is available to tourists from around 100 countries, who can apply on the <u>e-visa website</u> and obtain it within 3 hours.



For <u>IAC delegates from CIS countries no visa will be required</u>; for delegates from more than 15 countries (including Israel) visa will be provided on arrival.



Safety and Security Situation

The crime situation in Azerbaijan is not higher than in Western or Central Europe. Azerbaijanis are very hospitable, especially to tourists. There are no significant security risks in Azerbaijan. Officially, Azerbaijan is a secular state. The country tries to take care of the tourists and their safety to the maximum. The police are tourist-friendly, and their functions include not only providing assistance, but also explaining the peculiarities of the Azerbaijani society. Tourists of any race, skin color, ethnicity, religion or sexual orientation can and should feel safe, because Azerbaijan is a very tolerant state.

Source: https://baku-tours.com/is-azerbaijan-safe-to-visit/

The security situation is very good to a great extent, especially in the city of Baku.

The Baku metro system is an inexpensive and reliable option for transportation. Security cameras provide excellent coverage of all metro platforms. There are police units at each metro station, who may conduct random bag checks at entrances. Uber is available, but requires downloading an Azerbaijan-specific app from a local app store, which is not always possible for foreign mobile phone numbers. Be prepared to pay cab fare in cash, with small bills.

Source: https://www.osac.gov/Content/Report/09241718-8dfc-458a-a405-1cbf295ca4cc



A Land of Multiculturalism, Multi-Faith and Tolerance

The Azerbaijani constitution stipulates the separation of religion and state and the equality of all religions and all individuals regardless of belief. Guarantor of sacrosanct religious tolerance, the Republic of Azerbaijan stimulates all types of actions aimed at developing the values of tolerance, inclusiveness and secularism. Also, with the support of the state, sometimes with that of President Ilham Aliyev in person, international events are regularly organized by Baku. A great opportunity to let the whole world know that the ancestral « land of fire » is above all an ancestral « land of tolerance ».

This is particularly the case of the World Forum on Intercultural Dialogue, on the programme every two years, recognized by resolutions of the United Nations General Assembly and UNESCO as a key global platform for the promotion of intercultural dialogue. The case also of the "Baku Process"; this unique event which brings together, with a view to strengthening intercultural dialogue, the Organization for Islamic Cooperation and the member states of the Council of Europe. A desire for openness and inclusiveness which urged President Ilham Aliyev to create, in 2014, within the Presidential Administration, the post of « State Counselor for Interethnic Questions, Multiculturalism and Religious Questions ». A highly symbolic creation followed by the recent opening of the International Center for Multiculturalism, with the mission of preserving the cultural, religious and ethnic diversity of the country and making Azerbaijan a showcase for multiculturalism internationally.



Located at the junction of East and West, North and South, Islam and Christianity, Azerbaijan stands at the crossroads of those paths that have helped shape much of history of the world. A peculiarity that makes it the recipient par excellence, and consequently, the continuator of several cultures and civilizations which are reflected in his way of life and thought. One of the most unique crossroads there is, for centuries they have rubbed shoulders with Muslims, Jews, Christians and so many other beliefs. A reason that naturally decided Pope Francis, in October 2016, to go there and publicly express his positive opinions on dialogue and tolerance in the country. An opinion shared by the 500 representatives of some 103 states, including heads of state, Nobel Prize winners and presidents of international NGOs all who came to take part in the 4th International Humanitarian Forum in Baku.



Source: https://musulmansenfrance.fr/azerbaijan-a-land-of-tolerance/

Security and Geopolitical Landscape

The Azerbaijani government exercises a vigorous diplomacy to maintain good relations with neighboring countries. The country has prioritized trilateral cooperation with Turkey and Georgia. Still, Azerbaijan actively participates in alliances with neighbors, other countries in the region and worldwide.

2019: 18th Summit of the Non-Aligned Movement (NAM), Baku - Azerbaijan

In 2019, the 18th Summit of the Non-Aligned Movement (NAM) took place in Baku and Azerbaijan assumed the leadership of this movement for 2019 – 2022. The Non-Aligned Movement is the second largest international institution after the United Nations, which unites 120 countries. The 18th Midterm Ministerial Conference of NAM adopted the Baku Declaration, which reaffirms the importance of multilateralism and reiterates countries commitment to full implementation of the 2030 Agenda for Sustainable Development. The Conference focused on the theme, 'Promoting international peace and security for sustainable development'. Since 2019, Azerbaijan acts as Chair of this institution and the country has been elected by a unanimous decision of all member states, which demonstrates their

high level of support and respect to their position and their policy. The Azerbaijani chairmanship was extended again by a unanimous decision until the end of 2023.



Source: https://sdg.iisd.org/news/non-aligned-movement-affirms-commitment-to-sdgs-climate-actionmigration-compact/

5 May 2019 - Baku's Annual World Forum for Intercultural Dialogue

The World forum on Intercultural dialogue is an international forum held in the Republic of Azerbaijan since 2011 with the objective to establish an effective and efficient dialogue between cultures and civilizations. The Forum aims to enable and encourage people, countries and organizations to advance concrete actions to support diversity, dialogue and mutual understanding as foundations for sustainable peace and inclusive development.

The Forum is organized under the patronage of H.E. Mr Ilham Aliyev, President of the Republic of Azerbaijan, in cooperation with Task Force members: UNESCO, the UN Alliance of Civilizations, the UN World Tourism Organization (WTO), the Council of Europe and the Islamic Educational, Scientific and Cultural Organization (ISESCO).



Source: https://en.unesco.org/events/5th-world-forum-intercultural-dialogue

1st November 2022 - Ilham Aliyev attending 31st Arab League Summit held in Algiers

Speaking at the summit's inaugural session on Tuesday, President Aliyev lauded the special ties binding his country and NAM with the Arab League, voicing the desire of Azerbaijan and the organization to strengthen partnerships with the Arab countries.



Source: https://president.az/en/articles/view/57754

Azerbaijan and EU Enhance Bilateral Relations

22nd May 2022 - Trilateral Meeting of the President of the European Council with the President of Azerbaijan and the Prime Minister of Armenia

"The leaders agreed to advance discussions on the future peace treaty governing inter-state relations between Armenia and Azerbaijan. Teams led by the Foreign Ministers will take forward this process in the coming weeks. In addition to this track, [Charles Michel] also stressed to both leaders that it was necessary that the rights and security of the ethnic Armenian population in Karabakh be addressed.

The EU will take forward with both parties the work of the Economic Advisory Group, which seeks to advance economic development for the benefit of both countries and their populations. [Charles Michel] also stressed the importance of preparing the populations for long-term sustainable peace. The EU is ready to step up its support".



Source: <u>https://www.consilium.europa.eu/en/press/press-releases/2022/05/23/press-statement-by-president-michel-of-the-european-council-following-a-trilateral-meeting-with-president-aliyev-of-azerbaijan-and-prime-minister-pashinyan-of-armenia/</u>

18 July 2022 - Statement by President von der Leyen with Azerbaijani President Aliyev

"I want to emphasize three points from our Memorandum of Understanding. The first is that we will double the supply of gas from Azerbaijan to the European Union. [...] The second point that is very prominent in the MoU is the topic of the renewables. Azerbaijan has a tremendous potential in renewable energy – you just described it, Mr President –, and in particular in offshore wind and green hydrogen. We discussed it extensively in our bilateral meeting. Today, with our MoU, we are laying the ground for solid cooperation in that area. So gradually, Azerbaijan will evolve from being a fossil fuel supplier to becoming a very reliable and prominent renewable energy partner to the European Union. [...] Finally, our cooperation on gas has to be consistent with our responsibilities on climate. [...] Azerbaijan has made enormous progress and has a lot to deliver.



Beyond energy, President Aliyev and I discussed the full range of our relation and cooperation. The aim is to further expand the strong economic partnership we do have. Indeed, the European Union is: the first commercial partner of Azerbaijan; its first export destination; and one of its most important sources of investments. And we want to expand this. We are investing EUR 60 million of EU funds in Azerbaijan until 2024. And the Economic and Investment Plan has the potential to mobilize up to EUR 2 billion in additional investments. It is already at work, supporting round about 25,000 Azeri small and medium companies, and making the Port of Baku a sustainable transport hub. In particular, how to deepen our ties to bring our people and societies closer together. This is the mission of our Global Gateway strategy. And this is also the essence of our Eastern Partnership. The European Union wants to work with Azerbaijan to build connections with Central Asia and beyond. To reach Azerbaijan's full potential, it is important to create the right conditions for investor confidence. We value our partnership. And this partnership will consistently grow and deepen over time."

Source: https://ec.europa.eu/commission/presscorner/detail/da/statement_22_4583

Azerbaijan has voiced its desire for regional peace and global security

29 May – 1st June 2022: Global Peace Summit, Baku – Azerbaijan

Global Peace Summit Baku 2022 was an initiative to impact the world with bringing world leaders together at one place. GPS Baku aimed to connect with youngsters, enhance their voice for social equity, and establish an amicable climate among networks and social orders. The mission with GPS Baku was to mobilize youth from around the world to attain 17 United Nation Sustainable Development Goals by 2030. GPS Baku has engaged and conducted community-based activities and peace dialogues to promote interfaith harmony, compassion and tolerance to counterattack violence and extremism. In this event, delegates were able to understand the advocacy of human rights, develop international peace initiatives, social peace awareness to tolerance and inclusivity through a worldwide network.



Source: https://www.globalpeacechain.org/gps-baku-2022/

16 June 2022: Global Baku Forum on "Challenges to the Global World Order"

Organized by the Nizami Ganjavi International Center under the patronage of President Ilham Aliyev, the 9th Global Baku Forum under the motto "Challenges to the Global World Order" kicked off on 16 June 2022. "Discussions, exchange of views, sometimes contradictions of different opinions, that's what is needed in order to elaborate new approaches. Every country, of course, should contribute to that, first of all, with respect to security measures, because issues of security now become the top issue on international agenda. At the same time, I'm sure that open discussions about the current situation in Europe is needed. The Global Baku Forum is an excellent platform for that. It's an inclusive forum which accumulates opinions from different sides and I think that's how it should be. [...] but why we select peace, because we want stable, sustainable development in the Southern Caucasus. It's a unique opportunity. Southern Caucasus was disintegrated throughout the years of independence of three countries of Southern Caucasus. [...] So, now it's time to establish peace, establish cooperation. And Azerbaijan is working on that. With respect to process of normalization of relations with Armenia, we suggested, it was our proposal to start working on peace agreement. [...] Then we made another step, we put forward five basic principles of international law, including mutual respect to and recognition of territorial integrity of both countries and mutual refrain from any territorial claims now and in the future, and other principles which make the bulk of our proposal. We were glad to see that the Armenian government accepted these five principles. So this is positive dynamics but now we need to move to practical implementation."



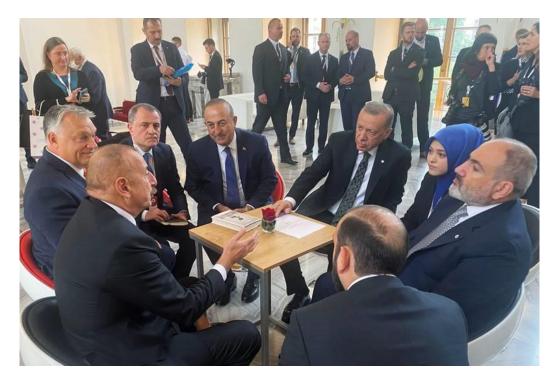
Source:

https://azertag.az/en/xeber/Next_Global_Baku_Forum_on_Challenges_to_the_Global_World_Order_ _gets_underway_President_Ilham_Aliyev_made_a_speech_at_the_opening_ceremony_of_the_For _um_VIDEO-2179448

6 October 2022 - Leaders of Turkey, Armenia and Azerbaijan meet at European Summit

Azerbaijan president Ilham Aliyev and Armenia prime minister Nikol Pashinyan sat down for talks alongside Emmanuel Macron and Charles Michel, who heads up the European Council.

Armenia agreed to "facilitate a civilian EU mission alongside the border with Azerbaijan", according to a joint statement. Azerbaijan "agreed to cooperate with this mission as far as it is concerned," the statement added.



Source : <u>https://www.euronews.com/2022/10/07/azerbaijan-and-armenia-leaders-meet-at-european-summit</u>

31st October 2022 - Armenia and Azerbaijan pledge 'not to use force'

The presidents of Russia and Azerbaijan and the prime minister of Armenia reaffirmed their commitment to a comprehensive normalization of Baku-Yerevan relations, and to ensuring peace, stability, security, and sustainable economic development of the South Caucasus, said a joint statement released after trilateral talks in Russia's Sochi on Monday 31st October. The joint statement shared on the official website of the Russian Presidency said that all parties agreed on the importance of creating a positive dialogue atmosphere between Azerbaijan and Armenia, and the launching of trilateral inter-parliamentary contacts.

During the trilateral talks, the three leaders also agreed to refrain from the use or threat of force to discuss and resolve issues "solely on the basis of mutual recognition of sovereignty, territorial integrity and inviolability of borders, in accordance with the UN Charter and the Alma-Ata Declaration of 1991," the statement further says.



Source: <u>https://www.france24.com/en/europe/20221031-armenia-and-azerbaijan-pledge-not-to-use-force-over-nagorno-karabakh-region</u>

Consensus Building

The government of Azerbaijan and major political actors claim that they are pursuing a path to democratization, but insist that <u>stability</u>, <u>security</u> and <u>social order are prerequisites for democracy</u> and <u>that the democratization process should be gradual</u>, <u>cautious</u> and <u>based on cultural modernization</u>. Independent civil society and youth activism have shown some promising signs of revival over the past years, particularly in Baku.

Space in Azerbaijan

1973 - A milestone year for Azerbaijan's space industry as the 24th International Astronautical Congress under the theme "Space Research: Influence on Science and Technology" was held in Baku, the only city in the region that hold the world's premier global space event, leaving a fundamental legacy for the space industry of Azerbaijan. When Baku hosted the only IAC in the Soviet Union / CIS countries in 1973 this was done under the auspices of the President Heydar Aliyev. This IAC had left a significant legacy for the country initiating Azerbaijan's effort and engagement in space activities. Today's

President Ilham Aliyev was present at the IAC 1973 as a young boy and he is now taking up the heritage from his father and fully supporting the hosting of IAC 2022 in Baku.



- Azercosmos was founded as the first and only satellite operator in the region, becoming the main leading force behind the development of innovative space ecosystem in Azerbaijan.



2018 - Azercosmos joins the International Astronautical federation (IAF) as a Member.

2019 - Azercosmos submits letter of intent and bid proposal to host the International Astronautical Congress in Baku, Azerbaijan in 2023.

President Aliyev has personally met with former IAF President, Dr. Jean-Yves Le Gall (July 2019) and the IAF Executive Director, Dr. Christian Feichtinger (February 2019) expressing his and the country's full commitment to hosting the global space community in Baku in 2022. Full governmental support is demonstrated by the involvement of and endorsement by all major ministries, such as Finance, Internal Affairs, Emergency Situations, Youth and Sport, Culture, Foreign Affairs, Transport, Communications and High Technologies, Health, documented through support letters.



Space has been put high on the country's agenda by Azerbaijan's leadership and Azercosmos has been given the role of leading the national effort in space combining the role of national satellite operator (with 2 telecommunications satellites and 1 Earth observation satellite in orbit) and the function of space agency, taking over from the National Aerospace Agency (NASA) of Azerbaijan Republic, an IAF member organization since 2003.

Full support has also been expressed by the Shamakhy Astrophysical Observatory, an IAF member since 2004, as well as other academic institutions in Azerbaijan, such as the Academy of Sciences, Baku State University, French-Azerbaijan University, ADA University and Baku Higher Oil School. Although a rather recent IAF member, Azercosmos has built on the IAF experience of the other two national long-

standing IAF member organizations and has most intensively engaged with the IAF being active at all IAF recent events. Azercosmos has also reached out to IAF member organizations. for support to their bid and has collected and submitted to IAF more than <u>80 support letters from IAF member organizations</u>.

An IAC 2022 in Baku has been declared as a national priority and key event of that year. <u>A full financial commitment was provided by the Prime Minister documented in a letter to the IAF President</u>. It needs to be mentioned that during the site inspection visit the young and dynamic bidding team has presented itself as extremely well-coordinated, very motivated, experienced in hosting large-scale and high-profile events, knowledgeable on IAC requirements and flexible.

22-24 July 2019 - In response to the IAF Call for Hosting IAC 2022 Azercosmos, an IAF member organization since 2018, has submitted a proposal to the IAF offering Baku, Azerbaijan, as the host city for the IAC 2023.

Baku had already been the host city of the 24th IAC in 1973, the only IAC ever held in the Soviet Union / CIS countries. Based on the mandate from the IAF General Assembly, the Executive Director made a site inspection visit in the proposed host city to inspect the congress venue, hotel accommodation facilities, possible technical tours and social events sites, and to meet the Local Organizing Committee with the aim to review the proposal and assess the motivation and feasibility of hosting the 74th International Astronautical Congress in 2023 in Baku successfully.



25 October 2019 - On the basis of its excellent proposal including: strong and hands-on engagement with government, industry academia and the general public; an experienced and broadly-based Local Organizing Committee, a well-considered programme advancing diversity (3G) and inclusiveness; support from numerous IAF members; excellent venue and infrastructure and numerous additional incentives offered, the IAF Congress and Symposium Advisory Committee (CSAC) recommended that the proposal by Azercosmos to host the 74th International Astronautical Congress in 2023 in Baku, Azerbaijan shall be endorsed the IAF Bureau and the IAF General Assembly. At the IAF General in Washington D.C. in October 2019, United States, Baku was selected as the host city of the International Astronautical Congress. After fifty years, the global space community will meet again in Baku.

The race to Host IAC 2023 included four competitive proposals from the following bidders: Azercosmos on behalf of Baku, the Indian Space Research Organisation (ISRO) + Astronautical Society of India on behalf of New Delhi, the Brazilian Space Agency on behalf of Rio de Janeiro, and Singapore Space and Technology Association on behalf of Singapore.



Azerbaijan's satellite operator Azercosmos and the International Astronautical Federation (IAF) signed an official agreement to host the International Astronautical Congress (IAC) in Baku from 2 to 6 October 2023 under the theme "Global Challenges and Opportunities: Give Space a Chance". The agreement was signed during the meeting in Azerbaijan's Transport, Communication and High Technologies Ministry with a delegation of the International Astronautical Federation, who paid a working visit to Azerbaijan, on 17 September.



During the meeting, Azerbaijan's Transport, Communication and High Technologies Minister Rashad Nabiyev noted that independent Azerbaijan became a member of the world space family thanks to successful satellite projects implemented on the initiative and under the leadership of President Ilham Aliyev. "As a result, such an important event as the International Astronautical Congress will be hosted by Baku again after half a century," he highlighted. Moreover, it was emphasized that this event, along with Azerbaijan, will provide an invaluable opportunity for neighboring countries, including non-IAF member states, to integrate more closely into the global space industry. In turn, IAF's Former President Pascal Ehrenfreund expressed gratitude to Azercosmos for close cooperation. "I am confident that the IAC 2023 will mark an important time in Azerbaijan's footprints in the space arena and will help to establish Azerbaijan as one of the driving forces of the global space industry".







Azercosmos puts Azerbaijan on the global space map and boosts regional space industry

May 2021: Azercosmos represented at the IAF Global Space Exploration Conference (GLEX 2021) under leadership of Minister Rashad Nabiyev

At the IAF GLEX 2021 opening ceremony, Minister of Transport, Communications and High Technologies Rashad Nabiyev spoke about the legal entity of public law "Space Agency of the Republic of Azerbaijan (Azercosmos)" established by the decree of President Ilham Aliyev in April 2020.

The Minister said that the activities of the Space Agency of the Republic of Azerbaijan will create a solid foundation for building space diplomacy and partnership at the global and regional levels, constant updating knowledge and skills in the fields of space science, education and industry, as well as expanding cooperation in telecommunications and Earth observation services. Rashad Nabiyev also expressed confidence that the 74th International Astronautics Congress to be held in Baku in 2023 will bring a "new breath" to the development of space field in our country, especially in the region: "The global conference to be held in 2023 in Azerbaijan will give impetus to the development of cooperation and space diplomacy".





Source: <u>https://mincom.gov.az/en/view/news/1219/azercosmos-represented-at-glex-2021-under-leadership-of-minister-rashad-nabiyev</u>

July 2021: President of European Council Charles Michel visits Azercosmos Main Satellite Ground Control Center

Charles Michel met with Minister of Transport, Communications and High Technologies Rashad Nabiyev. Minister Rashad Nabiyev said Azerbaijan's cooperation with the European Union was of

special importance for the country. The minister pointed to the great potential for the further development of relations in various fields, including transport, communications and high technologies.

Speaking about the development of the space industry in Azerbaijan, Rashad Nabiyev said that the launch of the "Azerspace-1" and "Azerspace-2" telecommunication satellites into orbit by the French company "Arianespace" was a clear example of the country's commitment to cooperation with <u>European partners</u>. He added that the "Azersky" Earth observation satellite was purchased from "Airbus Defense and Space" in 2014.





Rashad Nabiyev praised the efforts of the European Space Agency to expand relations between "Azercosmos" and the European Geostationary Navigation Overlay Service (EGNOS). It was noted that the International Astronautical Congress (IAC) would be held in Baku in 2023. <u>Speaking about this international event, Rashad Nabiyev invited the President of the European Council, Charles Michel, to take part in the congress</u>.

During the meeting, a presentation was made on the creation and development of the space industry in Azerbaijan and the activities of Azercosmos. It was noted that the mission of Azercosmos was to provide satellite solutions based on advanced technologies for peace and prosperity in the world, and to work on new services and solutions to support local and global initiatives. The Minister said that work was underway to install the antennas of the European Geostationary Navigation Overlay Service in the Main Satellite Ground Control Center of Azercosmos.

Source:

https://azertag.az/en/xeber/President_of_European_Council_Charles_Michel_visits_Azercosmos_M ain_Satellite_Ground_Control_Center-1834045

October 2021: Azercosmos is represented at 72nd International Astronautical Congress in Dubai

The Azercosmos delegation, represented at the congress with stands IAC 2023 Baku and Azercosmos, informed the event participants in detail on the history of Azerbaijan's space industry, the space programs implemented in the country and the role of satellites. It should be noted that the representation of the Azerbaijan Space Agency at this congress is an indication of the process of rapid preparations for the 74th International Astronautical Congress, which will be held in Baku in 2023. The congress to be held in our country will open up new opportunities in terms of further developing the ecosystem of the space sector, inculcating the importance of space for future generations and contributing to space initiatives in Azerbaijan.



Source : https://mincom.gov.az/en/view/news/1335/azercosmos-represented-at-internationalastronautical-congress-in-dubai#gallery-img-1

May 2022: Azercosmos participated at IAF Global Space Conference for Emerging Countries, Quito, Ecuador

As an active IAF Member, Azercosmos participates at the IAF Global Space Conference for Emerging Countries in May 2022, in Quito, Ecuador and joins several panel discussions including the High-level panel on the Role of Space Agencies in a Space Ecosystem.



Source: <u>https://www.iafastro.org/events/global-series-conferences/the-global-conference-on-space-for-emerging-countries-2022/glec-2022-programme/tuesday-17-may-2022/plenary-1a/b-high-level-panel-the-role-of-space-agencies-in-a-space-ecosystem.html</u>

May 2022: Azercosmos, Kazakh Gharysh Sapary sign cooperation accord

Azercosmos and Kazakhstan's Gharysh Sapary signed a cooperation deal on the sidelines of 10-11 May "Space Technology Conference" in Tashkent, Uzbekistan. The document envisages the launch of joint projects in the space sector and mutual use of satellite resources as part of the bilateral cooperation.



Source: https://www.azernews.az/business/193686.html

July 2022: Azercosmos signs a Protocol of Intent with "GTD Ingenieria de Sistemas", a Spanish aerospace, defense and security company

This document lays the foundation for cooperation in mutually beneficial space projects. According to the Protocol of Intent, Azercosmos, together with "GTD Ingenieria de Sistemas" will create opportunities for space analytics and solutions, development of satellite systems, exchange of knowledge and experience within educational programmes. The document reflects the support of research and development activities in the field of space in Azerbaijan, and ensures the transfer of technology for engineering solutions of satellite systems. The bilateral agreement also stresses the importance of application of the latest information technologies in the field of remote sensing and geospatial data management, which is currently one of the priorities of the global space industry.



Source: <u>https://www.iafastro.org/assets/files/publications/newsletters/iaf-nl-june-2022-2022-06-29-final-publish-online.pdf</u>

August 2022: Azercosmos partners with Italian Leaf Space to install new ground station in Azerbaijan

Italian Leaf Space and Azercosmos established Space Agency of the Republic of Azerbaijan, have entered into a long-term commercial partnership to install a new ground station in Azerbaijan and support satellite operators with our leading GSaaS solutions. "We are thrilled to be partnering with Azercosmos to support their growing presence in space while also expanding our already robust global network of ground stations by adding an antenna in Azerbaijan," said Jonata Puglia, CEO and co-founder of Leaf Space. "This long-term agreement between Azercosmos and Leaf Space is an essential step toward future sustainable development of space-related activities between our companies and signal a larger Azerbaijan-Italy bilateral strategic partnership," said Fuad Aslanov, Vice-Chairman of Azercosmos.

Source: <u>https://leaf.space/leaf-space-partners-with-azercosmos-to-install-new-ground-station-in-azerbaijan/</u>

September 2022: The delegation led by the Ministry of Digital Development and Transport and Azercosmos, Space Agency of the Republic of Azerbaijan participates at the 73rd International Astronautical Congress (IAC), held in Paris, France on 18-22 September.

Azerbaijan is represented here with stands of IAC 2023 Baku and Azercosmos, delivering information about the history of space industry development in the country, space programmes, and projects aimed at increasing knowledge and skills in this field as well as the history, culture and tourism opportunities in Azerbaijan. Participating in the Paris congress was also important in terms of inviting the international space community to Baku next year as Azercosmos participates in this congress amidst preparations for the 74th International Astronautical Congress to be held in the capital city of Azerbaijan in 2023. This will open up new opportunities in terms of further development of the space ecosystem, raising awareness about the importance of space among future generations and contributing to new initiatives in this field in Azerbaijan.

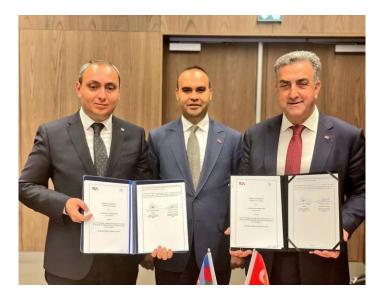


Source: <u>https://azercosmos.az/en/media-center/news/azerbaijan-represented-at-the-73rd-international-astronautical-congress</u>

September 2022: Azerbaijan and Turkey ink MoU on space cooperation

Azerbaijan and Turkiye have signed a memorandum of understanding on cooperation in the space sector. The document was signed between the Azerbaijani satellite operator Azercosmos OJSC and the Turkish Space Agency within the framework of the 73rd International Astronautical Congress in Paris,

France, on 18-22 September 2022. The memorandum provides for boosting cooperation in remote Earth observation and technology development, as well as the expansion of mutually beneficial, and knowledge-sharing programs to evaluate commercial and educational opportunities in the space sector. Moreover, the document will contribute to the joint activities of Azercosmos and the Turkish Space Agency in international space projects, active cooperation in the development of the local space ecosystem, space science, and other areas.



Source: https://www.azernews.az/business/199657.html

September 2022: Azercosmos and Voyager Space sign MOU for space initiatives

Azercosmos, The Space Agency of the Republic of Azerbaijan, and Voyager Space, a global leader in space exploration, have signed a Memorandum of Understanding (MoU) to establish a regional hub for space exploration in Azerbaijan. This strategic multi-year collaboration paves the way for Azercosmos and Voyager Space to proactively develop mutually beneficial space infrastructure, technology, and manufacturing initiatives, research programmes, and further opportunities for innovation. With the potential to exchange experience and knowledge, the organizations will focus on commercial and educational opportunities in-country to foster a thriving local space ecosystem.



Source: <u>http://www.parabolicarc.com/2022/09/22/azercosmos-and-voyager-space-sign-mou-for-space-initiatives/</u>

September 2022: Azerbaijan and Pakistan ink MoU on space cooperation

Azercosmos and the SUPARCO, the Space & Upper Atmosphere Research Commission of Pakistan signed a Memorandum of Understanding (MoU) during the IAC 2022 in Paris, France. Memorandum aims the cooperation on different field of the space. The MoU involves the joint action on space science, technology and applications, capacity building, as well as the exchange of experience.



Organizational Capabilities

2019 - European Youth Olympic Festival, Baku – Azerbaijan

Azerbaijan has made history by successfully hosting another high-profile international sporting event - EYOF Baku 2019, the 15th European Youth Olympic Festival. Baku 2019 featured seven thrilling days of competition in 10 sports at 12 competition venues, all of which are already existing, making this edition of the EYOF also one of the most sustainable. Approximately 3,600 young people and their officials take part in the summer festivals, while there are around 1,600 participants at the winter editions. Addressing the closing ceremony, Vice-President of the European Olympic Committees (EOC) Niels Nygaard said: "Thank you our Azerbaijani friends and organizers, who once again showed the world that you are capable of delivering excellent multisport competitions. The local organizers did a terrific job reaching out to youth, including with its Olympic Culture and Education Programme that saw 49 schools in Baku twinned with counterparts across Europe. Students shared aspects of their local culture, history, art, and sport with each other, while also learning about Olympic values and principles. Their lessons and work were showcased at the Olympic Culture and Sport Pavilion inside the Athletes' Village, where young athletes, team members, and other guests could acquaint themselves with all participating European countries and engage with the Olympic spirit. It is an excellent legacy project from these Games that helped bring the youth of Europe closer together. Once again sport has proven how powerful it can be in connecting people from different backgrounds and beliefs together for peaceful competition. Sagol, Baku, Sagol, Azerbaijan, for an unforgettable week of European sport and youth that we will always look back fondly on".







Source: https://www.eurolympic.org/baku-2019-eyof-kicks-off-with-lively-opening-ceremony/

24 June 2022: 24th Annual Meeting of the Board of Governors, Baku – Azerbaijan

The Black Sea Trade and Development Bank (BSTDB), an international financial institution with headquarters in Thessaloniki, Greece, was established by Albania, Azerbaijan, Armenia, Bulgaria, Georgia, Greece, Moldova, Romania, Russia, Turkey, and Ukraine. BSTDB supports economic development and regional cooperation, participates in lending to projects in the public and private sectors in member countries, opens credit lines, provides investment and guarantees, and finances trade. On 24 June, as part of the annual meeting, a business forum titled "BSTDB role in supporting a diversified and innovative Azerbaijani economy in a changing world" was organized with the participation of the BSTDB, Azerbaijani Government, AZPROMO and regional business associations.



Source : https://azertag.az/en/xeber/Baku_hosts_24th_annual_meeting_of_BSTDB_Board_of_Governors-2192384

June 2022: Azerbaijan Grand Prix F1, Baku - Azerbaijan

Record number of with more than 10,000 tourists visited Baku in connection with the F1 Azerbaijan Grand Prix 2022. It is also worth noting that a record number of foreign fans visited Baku this year. The flow of tourists from countries including the UK, the US, Turkey, the Scandinavian countries and others has increased in 2022. The first Formula One Grand Prix to be held in Azerbaijan was the 2016 European Grand Prix, which took place at the Baku City Circuit. A year later, in 2017, the same venue hosted the first Azerbaijan Grand Prix.



IAC 2023 Congress Venue

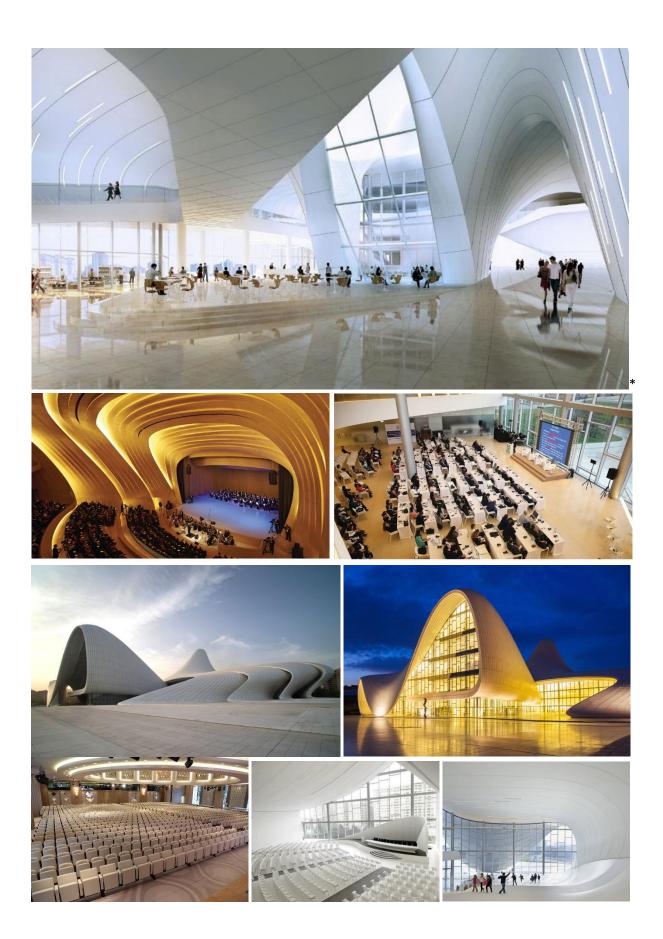
The 74th International Astronautical Congress (IAC) will be held at the **Heydar Aliyev Center** (HAC), a congress complex of outstanding architectural beauty combined with state-of-the-art functionality.

Arguably architect Zaha Hadid's greatest masterpiece, the HAC alone is reason enough for many an international visitor to come to Azerbaijan. The building's enormous yet organically swirling form lacks almost any straight line, its white shell creating the sense of an alien life-form that looks different from whichever angle it's viewed. Inside are a series of intriguing museums, exhibition spaces and a concert hall with superb acoustics, though just entering is an experience in itself thanks to the indescribable sense of spaciousness within. The building is named for the former president of Azerbaijan, whose son is now president himself. This succession leads some cynics to suggest that Azerbaijan is some kind of oppressive autocracy. Once you've met the lively, vociferously hospitable people, however, it's quickly apparent that things are not so black and white. Undoubtedly the president and his long dead father have entirely shaped the country's recent history – and all around the country you'll find the name Heydar Aliyev on streets, buildings, museums and posters. But all it takes is a few hours wandering the peaceful streets, visiting friendly cafes, barista coffee shops and raucous pubs to make you realize that this is still a country with a very vivid sense of self-expression.

This unique environment has all the potential to inspire IAC delegates beyond the usual "look and feel" of an IAC.

Source: https://www.remotelands.com/travelogues/baku-a-capital-of-contrast-on-the-caspian/





Large Scale Events in Azerbaijan

✓ Formula 1 2022

- The 8th round of the 2022 Formula 1 World Championship
- o Date:12 June 2022
- More than 10000 tourists (including fans, teams, working staff)
- People around the world, the UK, the US, Turkey, the Scandinavian countries

✓ Teknofest Azerbaijan

- Teknofest is an Aerospace and Technology Festival that has been organized annually by the Turkish Technology Team (T3 Foundation) and the Ministry of Industry and Technology of Turkey
- Date: 26-29 May 2022
- Exhibitors from Turkey and Azerbaijan
- Approximately 46000 visitors

✓ Translogistica Caspian and Road & Traffic

- The 19th Caspian International Transport, Transit and Logistics Exhibition and the 10th Anniversary Caspian International Road Infrastructure and Public Transport Exhibition were held simultaneously.
- Various exhibitions regarding road, air, marine, and rail transportation, logistics, express delivery, intra-logistics etc.
- o Date: 1-3 June 2022
- Exhibitors from Azerbaijan, Germany, Greece, Italy, the United Arab Emirates, Turkey, Kazakhstan, Belarus, Russia, Ukraine

✓ Baku Energy Week

- The Baku Energy Week had united 3 major events under its brand the 27th Caspian Oil and Gas International Exhibition, the 10th Anniversary Caspian International Energy and Renewable Energy Exhibition and the Baku Energy Forum.
- o Date: 1-4 June 2022
- Exhibitors from 30 countries, 240 companies (the USA, Germany, Azerbaijan, the United Arab Emirates, the UK, China, Finland, France, Norway, India, Netherlands, Israel, Spain, Switzerland, Indonesia, Italy, Hungary, Norway, Saudi Arabia, Singapore, Turkey, Croatia, Japan, Greece, Romania, Serbia, Uzbekistan, Russia)

✓ Caspian Agro 2022

- The 15th Anniversary Azerbaijan International Exhibition "Agriculture" Caspian Agro and the 27th Azerbaijan International Food Industry Exhibition "InterFood Azerbaijan" were held simultaneously.
- o Date: 18-20 May 2022
- Exhibitors from 20 countries, approximately 300 companies

✓ ADEX 2022 and Securex Caspian

- The 4th Azerbaijan International Defence Exhibition and the 13th International Exhibition for Internal Security, Safety and Rescue Equipment were held simultaneously.
- Date: 6-8 September 2022
- Exhibition statistics:
- Number of exhibitors: 208
- National groups: 10
- Number of visitors: 8967
- Number of international military delegations: 33
- ✓ Medinex 2022 and Beauty Azerbaijan

- Azerbaijan International Medical Innovations Exhibition and Azerbaijan International Beauty Industry Exhibition were held simultaneously.
- Date: 3-5 November 2022
- Exhibitors from 12 countries, 90 companies (Azerbaijan, Denmark, Switzerland, Italy, Pakistan, Japan, Turkey, Algeria, Slovenia, Kazakhstan, Russia)
- ✓ The 8th Baku International Book Fair
 - o Date: 5-9 October 2022
 - Exhibitors from 10 countries, 60 foreign organizations, 118 local publishing and printing houses, bookstores, cultural centers

✓ Rebuild Karabakh and BakuBuild

- The 2nd Azerbaijan International "Restoration, Reconstruction and Development of Karabakh" Exhibition and the 27th Azerbaijan International Construction Exhibition were held simultaneously.
- o Date: 19-21 October 2022
- Exhibitors from 17 countries, 279 companies
- Greco-Roman World Cup, 2022
 - o Date: 5 November 2022



Upcoming Events

- > Baku International CEO Summit 2022
 - Date: 15 November 2022
- > The 17th Baku Jazz Festival, 2022
 - o Date: 15 November 2022
- FFG-Grappling and MMA Championship, 2022
 - o Date: 19 November 2022
- > 1st International "Ojaq Cup" in Rhythmic Gymnastics
 - o Date: 25 November 2022
- > The 19th Azerbaijan International Travel and Tourism Fair
 - o Date: 4-6 April 2023
- Caspian Agro and Interfood
 - 28th Azerbaijan International Food Industry Exhibition and 16th Azerbaijan International Agriculture Exhibition
 - Date: 17-19 May 2023
- TransLogistica Caspian
 - o 20th Anniversary Caspian International Transport, Transit and Logistics Exhibition
 - o Date: 31 May- 2 June 2023
- > The 99th International Session of the European Youth Parliament
 - o Date: Summer 2023
- The Regional Congress of the European Association for Cranio Maxillo facial Surgery, 2023
 Date: September 2023
- > 74th International Astronautical Congress (IAC)
 - o Date: 2-6 October 2023
- > 9th Baku International Book Fair
 - Date: 4-8 October 2023
- > ICMSS 2023: International Conference on Management and Social Sciences
 - Date: 6-7 October 2023
- Road & Traffic 2023
 - o 11th Caspian International Road Infrastructure and Public Transport Exhibition
 - o Date: 19-21 October 2023



