



azpromo

Export and Investment Promotion Agency
of the Republic of Azerbaijan

INVESTMENT PROJECTS IN AZERBAIJAN



TABLE OF CONTENTS



Agriculture / 9 projects (p. 2)



Tourism & Real Estate / 13 projects (p. 12)



Chemical Industry / 5 projects (p. 23)



Renewable energy / 2 projects (p. 29)



Mining / 1 project (p. 32)



Heavy Industry / 1 project (p. 34)



Light Industry / 2 projects (p. 36)



Agriculture





FRUIT FARM PROJECT



Project definition

The Farm presently yields approximately 2000 tons of fruits, 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 the export of around 70% of the final produce, leading to increased profit margins.



Key benefits for investors

- The Farm currently has unused capacity, both in terms of available land and in terms of yield optimization;
- The Farm presently primarily sells directly at the gate, yielding suboptimal margins. Strategic, modest investments have the potential to unlock fresh sales channels, substantially enhancing profitability.
- Presently, approximately 70% of the Farm's produce is exported to CIS countries, while the remaining 30% is predominantly supplied to local markets, particularly in Baku.



Sales orientation

70% to CIS countries
30% to local markets



Location

Sheki city



Land use

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



Raw materials

Tree plants have been purchased from France, Italy and Turkey.



Main products

Peaches, nectarines, apricots and plums.



Project type

Brownfield

ECONOMIC INDICATORS



Annual production capacity

2 thsd tons



Permanent employment

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



Equity IRR

12.8 %



Investment

5,1 mln USD



Average annual revenues

1,4 mln USD



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.

FRUIT FARM PROJECT



MODERN GREENHOUSE COMPLEX PROJECT



Project definition

The project involves developing a technologically advanced facility for agricultural production in the Absheron region, covering an area of 10 hectares, aimed at enhancing crop yield and sustainability under controlled environmental conditions. Although the investor has the flexibility to grow any kind of fruit or vegetable in this state-of-the-art facility, focusing on the cultivation of the Absheron region tomato is identified as the most profitable and effective product for investment.



Location

Absheron region



Area of the economy

Agriculture, Greenhouse



Land use

10 ha



Project concept

Construction of a modern greenhouse complex



Main potential products

Tomatoes, berries, etc.



Project type

Greenfield

ECONOMIC INDICATORS



Annual production cost

11,6 mln USD



Annual average profit

5,2 mln USD



Investment

7,1 mln USD



Payback period

(construction period included)
3.3 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 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, aimed at enhancing livestock productivity and welfare with contemporary farming practices.



Location

Beylagan region



Annual production capacity

25 thsd tons



Land use

5,9 thsd ha



Project concept

Construction of a modern animal husbandry complex



Area of the economy

Agriculture, Animal husbandry



Main product

Red meat



Project type

Greenfield

ECONOMIC INDICATORS



Construction period

2 years



Annual production cost

10,2 mln USD



Profit including annual average depreciation

1,9 mln USD



Investment

43 mln USD



Annual average profit

5,2 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 ANIMAL HUSBANDRY 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, aimed at boosting the agricultural economy through the integration of pomegranate cultivation with horticulture.



Location

Kurdamir region



Infrastructure

Modular power station



Land use

237 ha



Project concept

Construction of a modern pomegranate complex



Area of the economy

Agriculture, horticulture



Main product

Pomegranate



Project type

Greenfield

ECONOMIC INDICATORS



Annual production

4,7 thsd tons



Annual production value

2,7 mln USD



Annual average profit

1,3 mln USD



The initial fruit ripening period

3 years



Investment

22,8 mln USD



Payback period

16,3 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 POMEGRANATE 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, designed to boost the agricultural and animal husbandry fields with state-of-the-art practices and infrastructure to improve livestock management and productivity.



Location

Gobustan region



Annual production capacity

Milk Production: **8,5 thsd tons**

Meat Production: **43,3 tons**

Sale of Calves: **200 heads**

Organic Fertilizer Production:

6,7 thsd tons



Landuse

1,6 thsd ha



Project concept

Construction of a modern animal husbandry complex



Area of the economy

Agriculture, Animal husbandry



Main products

Milk, organic fertilizers, red meat



Project type

Greenfield

ECONOMIC INDICATORS



Construction period

1 years



Annual production value

4,7 mln USD



Payback period

(construction period included)

6 years



Investment

13,3 mln USD



Annual average profit

1,9 mln USD

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, to enhance the agriculture and animal husbandry sectors through the introduction of advanced farming facilities and practices, thereby improving livestock care and productivity.



Location

Sheki region



Annual production capacity

Milk Production: **14 thsd tons**
Meat Production: **72,2 tons**



Land use

4 thsd ha



Project concept

Construction of a modern animal husbandry complex



Area of the economy

Agriculture, dairy production, animal husbandry



Main products

Milk, red meat



Project type

Greenfield

ECONOMIC INDICATORS



Construction period

2 years



Annual production value

9,9 mln USD



Payback period

(construction period included)
9,9 years



Investment

29,9 mln USD



Annual average profit

4,2 mln USD

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 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, aimed at boosting the agriculture and cultivation sectors through the implementation of advanced agricultural practices and technologies.



Location

Zardab region



Annual production capacity

19,6 thsd tons



Land use

2,5 thsd ha



Project concept

Construction of a modern modern grain growing (food wheat production) complex



Area of the economy

Agriculture, cultivation



Main product

Wheat



Project type

Greenfield

ECONOMIC INDICATORS



Construction period

2 years



Annual production value

5,4 mln USD



Payback period

**(construction period included)
10,2 years**



Investment

36,5 mln USD



Annual average profit

2,9 mln USD

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.

MODERN GRAIN GROWING COMPLEX PROJECT

YEVLA KH PILOT AGROPARK PROJECT



Project definition

The Yevlakh Pilot Agropark was established in the framework of pilot project called "Integration of medium-sized farms into agro-industrial clusters." The Yevlakh Pilot Agropark marks the country's inaugural endeavor in establishing an agropark with the active involvement of small and medium-sized farmers. Various supportive measures initiated by the government aim to foster entrepreneurship within the Yevlakh Pilot Agropark. This includes the development of both external and internal infrastructure using state funds, provision of investment incentives to residents, and adoption of a unified administrative process. The goal is to construct a contemporary agro-industrial complex within the pilot agricultural park, facilitated by the organization of cluster activities.



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



Products to be produced

- Dried fruits
- Fresh-fruit processing
- Frozen fruits & vegetables
- Meat products
- Dairy products
- Baby foods
- Seed processing
- Animal feeds
- Pasta
- Canned products
- Fertilizer production
- Packaging products



Land use

2,8 thsd ha



Main products

Fodder crops, sugar beet, cotton



Project type

Greenfield

ECONOMIC INDICATORS



Sales market

Internal and external market



Project concept

Integration of medium-sized farms into agro-industrial clusters



Number of jobs

500 people permanent, **1000** people seasonal



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.

YEVLA KH PILOT AGROPARK PROJECT



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.



Village Vineyard History

The Kurdmashi village of Ismayilli district boasts a rich history of viticulture, with existing vineyards covering 116 hectares and valued at 8 million euros. These vineyards cultivate a diverse array of high-quality grape varieties such as Chardonnay, Cabernet Sauvignon, Columbard, Merlot, Viognier, Riesling, Grenache, Montepulciano, Mauvedre, and Marselan. The vineyards are equipped with cutting-edge irrigation systems, agricultural machinery, 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. Additionally, plans are in place to expand vineyard cultivation to prospective areas totaling 70 hectares, ensuring sustained growth and development within the region's wine industry.



Location

Ismayilli District, Kurdmashi Village



Land use

1 ha



Type of activity

Wine production



Main products

White, Red, Rosé, and Sparkling wines



Project type

Greenfield

ECONOMIC INDICATORS



Annual production

5 mln bottles of wine



Payback period

(construction period included)
5,5 years



Sales Markets

10% internal market
90% export oriented



Investment

10 mln USD



Equity IRR

22.3%



Annual average income

3 mln USD

CONSTRUCTION OF A WINE PRODUCTION FACILITY

Tourism & Real Estate





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. Apartment sizes will range from 55 to 660 square meters. Each apartment will be delivered fully furnished and equipped. Parking facilities will be available both at ground level and underground.

COMMUNITY BENEFITS

- One of the most competitive real estate development projects in the CIS market
- The project has no alternatives in the Azerbaijani market
- The work on the project is carried out by international experts, including Crocus Group, Jacobs, OneToOne and many others.
- Special package offers for investors, including development options
- Annual growth in asset value is up to **10%**
- Turnkey rental business - passive income with a payback from **8% per year**



Location

Nardaran Settlement, Baku



Land use

4,5 ha



Type of activity

Real estate development
Pool of assets acquisitions



Project type

Greenfield

ECONOMIC INDICATORS



Construction area

60,000 m²



Investment

210-250 mln USD



ROI

40-45%



Investment range

From 80 mln USD

**CASPIAN DREAM LINER
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.

COMMUNITY BENEFITS

- One of the most competitive real estate development projects in the CIS market
- The project has no alternatives in the Azerbaijani market
- The work on the project is carried out by international experts, including Crocus Group, Jacobs, OneToOne and many others.
- Special package offers for investors, including development options
- Annual growth in asset value is up to **10%**
- Turnkey rental business - passive income with a payback from **8% per year**



Location

Nardaran Settlement, Baku



Land use

4,5 ha



Type of activity

Real estate development



Project type

Greenfield

ECONOMIC INDICATORS



Construction area

167,000 m²



ROI

35-40%



Investment

250-290 mln USD



Investment range

From 30 mln USD

**MIAMI RESIDENCE
REAL ESTATE PROJECT**



OASIS CRESCENT REAL ESTATE PROJECT



Project definition

Oasis Crescent is a unique crescent-shaped artificial peninsula surrounded in the Caspian Sea. This amazing place will house an innovative real estate complex for a comfortable life, luxurious holidays and large-scale events.

The hallmark of the peninsula will be the Five Stones project - a complex of buildings with apartments, world-famous hotels and a large congress center.

COMMUNITY BENEFITS

- One of the most competitive real estate development projects in the CIS market
- The project has no alternatives in the Azerbaijani market
- The work on the project is carried out by international experts, including Crocus Group, Jacobs, OneToOne and many others.
- Special package offers for investors, including development options
- Annual growth in asset value is up to **10%**
- Turnkey rental business - passive income with a payback from **8% per year**



Location

Nardaran Settlement, Baku



Land use

50 ha



Type of activity

Real estate development



Project type

Greenfield

ECONOMIC INDICATORS



Construction area

1,000,000 m²



Investment

2 bln USD



ROI

30-35%



Investment range

From 40 mln USD

**OASIS CRESCENT
REAL ESTATE PROJECT**



WAVE RESIDENCE REAL ESTATE PROJECT



Project definition

Wave Residence is a modern multi-story building in urban style resembling a wave rapidly rising up to the roof - straight to the outdoor pool. At the very top of the building there is an outdoor swimming pool with sun loungers.

The view from above of the resort city, shimmering with all the lights, is simply breathtaking, and the view of the Caspian coastline is relaxing and allows you to enjoy relaxing in your personal outdoor pool.

COMMUNITY BENEFITS

- One of the most competitive real estate development projects in the CIS market
- The project has no alternatives in the Azerbaijani market
- The work on the project is carried out by international experts, including Crocus Group, Jacobs, OneToOne and many others.
- Special package offers for investors, including development options
- Annual growth in asset value is up to **10%**
- Turnkey rental business - passive income with a payback from **8% per year**



Location

Nardaran Settlement, Baku



Land use

5 ha



Type of activity

Real estate development



Project type

Greenfield

ECONOMIC INDICATORS



Construction area

200,000 m²



Investment

400-450 mln USD



ROI

35-40%



Investment range

From 40 mln USD

**WAVE RESIDENCE
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 is a complex of modern urban buildings overlooking the majestic Caspian Sea, which gives it a special authenticity.

Along with five buildings with 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 has a children's playground and bicycle paths. There are also underground parking, a SPA, a gym and restaurants at the disposal of residents.

COMMUNITY BENEFITS

- One of the most competitive real estate development projects in the CIS market
- The project has no alternatives in the Azerbaijani market
- The work on the project is carried out by international experts, including Crocus Group, Jacobs, OneToOne and many others.
- Special package offers for investors, including development options
- Annual growth in asset value is up to **10%**
- Turnkey rental business - passive income with a payback from **8% per year**



Location

Nardaran Settlement, Baku



Land use

5 ha



Type of activity

Real estate development



Project type

Greenfield

ECONOMIC INDICATORS



Construction area

104,000 m²



Investment

260-290 mln USD



ROI

45-50%



Investment range

From 50 mln USD

FIVE STONES

REAL ESTATE 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). It is also planned to produce 350-400 kilograms of honey annually, 6 tons of grapes annually, and 2 tons of hazelnuts annually.

- A group of experts will be engaged in the implementation of sustainable project management practices
- Experts specializing in the realm of hospitality and hotel management will oversee the day-to-day operations of the project throughout the entire year



Location

Shamakhi (Chukhuryurd village)



Main facilities

Hotel & spa, chalet and cottages, yurt camps and the lake.



Infrastructure

Beekeeping facility, grape yard, hazelnut garden, horse farm, fishery, lavender rows



Site products

Honey, grape, hazelnuts



Project type

Greenfield

ECONOMIC INDICATORS



Permanent employment

80+ people



Investment made

1,7 mln USD



Construction completion period

2 years



Investment

8,2 mln USD



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.

AGRO - ETNO VILLAGE PROJECT



KARABAKH HOTELS & RESORTS PROJECT



Project definition

The project “Karabakh Hotels and Resorts” contains the business concept of building hotels and engaging in hotel activities in line with the tourism potential of Shusha city and the tourist regions of Kalbajar and Lachin. Without reinvesting in fixed assets, the operation of the hotels and resorts, which will be built with modern equipment, is anticipated as ten years. The total investment cost, including land preparation that is essential for the construction of the hotel complex, construction of additional buildings and warehouses, and the placement of equipment, is predicted to be 4.3 million USD.



Location

Karabakh region



Project concept

Construction of modern hotels & resorts in Karabakh region



Type of activity

Tourism and hospitality



Project type

Greenfield

ECONOMIC INDICATORS



Equity

78.2%



Debt

21.8%



Equity IRR

34.8%



Investment

4,2 mln USD



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.

KARABAKH HOTELS & RESORTS 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.

COMMUNITY BENEFITS

- Located in the center of Baku, offering excellent access to all amenities.
- Rare, large-scale opportunity to develop real estate in the center of Baku.
- Annual growth in asset value is up to **10%**
- Designed to transform the urban landscape of Baku with luxury and commercial spaces.



Location

Baku city, Azerbaijan



Land use

4,5 ha



Type of activity

Real estate development



Partnership Models

- Outright Sale
- Turnkey
- Joint Development



Project type

Greenfield

ECONOMIC INDICATORS



Equity

50%



Debt

50%



Construction area

168,156 m²



Investment

97 mln USD



ROI

30-35%



Investment range

From 50 mln USD

**VAGON REAL
ESTATE 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 capture approximately 19,000 m². There will also be a kindergarten with 100 seats, a school with 528 seats, at the area of 5000 m² and as well as sport facilities. Planned number of residential apartments is 1200 units.

COMMUNITY BENEFITS

- The project significantly upgrades Baku's infrastructure, introducing a multifaceted complex with ample parking.
- The project enriches the community by integrating educational facilities and recreational spaces.
- The project fosters economic development and enhances community cohesion by creating housing and employment opportunities.



Location
Absheron



Type of activity
Construction



Project type
Greenfield

ECONOMIC INDICATORS



Equity
78.2%



Investment
65 mln USD



Debt
21.8%



Discount rate
20.3%



Equity IRR
36%

**DARNAGUL RESIDENTIAL
COMPLEX PROJECT**



UHOM



Project definition

Global hypermarket chains offer products for homes, apartments, summer cottages, gardens, and offices. These hypermarkets include show rooms, household equipment, construction materials & tools, professional services, and furniture, accessories, and home textile.



Services

- Design and Architecture: Features top architectural firms for client consultations.
- Estimators: Offers precise cost estimations for construction or renovations.
- Turnkey Delivery: Provides companies ensuring on-time project completion.
- Real Estate Services: Showcases leading agencies with a range of properties.
- Construction Companies: Introduces new real estate projects with transaction support.
- Banks: Includes top banks for real estate loans and services.



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



Segments introduced in one hub

- Household Equipment
- Show Rooms
- Professional Services
- Furniture, Accessories and Home Textile
- Construction Materials & Tools



Project type

Greenfield

ECONOMIC INDICATORS



Payback period

5 years



Investment

17 mln USD



Annual rental profit

6,9 mln USD



Annual rental income

11 mln USD

UHOM

Chemical Industry





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 great variety. Polystyrene is not considered hazardous to the environment. Waste polystyrene and its copolymers are collected in the form of obsolete products, as well as waste of its copolymers, and their disposal is carried out.



Local demand

4,4 thsd tons



Location

Sumgait Chemical Industrial Park



Land use

7,5 ha



Raw materials

Styrene (produced from ethylbenzene)



Main product

Polystyrene



Project type

Greenfield

ECONOMIC INDICATORS



Annual production capacity

4,3 thsd tons



Number of workplaces

30 people



Equity IRR

9.97%



Investment

21,6 mln USD



Construction completion period

45 months



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.

POLYSTYRENE PRODUCTION PROJECT

POLYVINYL CHLORIDE PRODUCTION PROJECT

POLYVINYL CHLORIDE PRODUCTION PROJECT



Project definition

The goal of the project is the construction of a polyvinyl chloride production plant. The project for the production of polyvinyl chloride from ethylene is based on ethylene raw materials produced in the country.



Local demand

20 thsd tons



Location

Sumgait Chemical Industrial Park



Land use

7,5 ha



Raw materials

Ethylene: **9,1 thsd**
Chlorine: **11,5 thsd tons**



Main product

Polyvinyl chloride



Project type

Greenfield

ECONOMIC INDICATORS



Annual production capacity

17.4 thsd tons



Number of workplaces

30 people



Equity IRR

30.8%



Investment

29,7 mln USD



Construction completion period

45 months



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



Project definition

The plant will produce melamine for construction, coatings with high durability, decorative laminates, concrete additives, fire retardant materials, paper components, and coloring solutions for automobiles and household items. Additionally, it will manufacture packaging plastics for various products using diverse fillers



Local demand

17,5 thsd tons



Location

Sumgayit Chemical Industrial Park



Land use

7,5 ha



Raw materials

Carbamide: **50 thsd tons** (available locally)



Main product

Melamine



Project type

Greenfield

ECONOMIC INDICATORS



Annual production capacity

17,5 thsd tons



Number of workplaces

30 people



Equity IRR

37%



Investment

23,6 mln USD



Construction completion period

45 months



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.

**MELAMINE PRODUCTION
PROJECT**



PROPYLENE OXIDE PRODUCTION PROJECT



Project definition

The plant will produce propylene oxide that can be utilized in the manufacture of polyurethane plastics, propylene glycol, and glycol ethers, demonstrating a dedication to innovation while upholding environmental and safety standards.



Local demand

13,3 thsd tons



Location

Sumgayit Chemical Industrial Park



Landuse

7,5 ha



Raw materials

Propylene: **9,7 thsd tons**
Hydrogen peroxide: **7,8 thsd tons**



Main product

Propylene oxide



Project type

Greenfield

ECONOMIC INDICATORS



Annual production capacity

13,4 thsd tons



Number of workplaces

35 people



Equity IRR

23,7%



Investment

19,5 mln USD



Construction completion period

45 months



Payback period

**(construction period excluded)
6 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



MODERNIZATION AND RESTART OF THE ALUMINA FACTORY



Project definition

Existing alumina refinery has an annual production capacity of 480 000 tons/year. With the restart of the Refinery “Azeraluminium” LLC will minimize the import of alumina and will reduce the production costs and bring additional profit.

The factory was closed due to the aging of the components of the production equipment and the limited sales opportunities resulting from the outdated production method. The investment project seeks to boost efficiency and diversify sales by modernizing equipment and updating production methods.



Location

Ganja city



Aim

Modernization of alumina refinery plant and reducing of production cost



Raw materials

Alunite (sourced from Ganja and Dashkasan deposits)



Project concept

Modernization and restart of the alumina factory



Annual production capacity

480 thsd tons



Main product

Aluminium oxide



Project type

Brownfield

ECONOMIC INDICATORS



Energy consumption

40 Mwh



Implementation period

3 years



IRR

19%



Investment

105 mln USD



Payback period

**(construction period included)
7 years**

GOVERNMENT INCENTIVES

For investment promotion certificate holders for 7 years:

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

For investment promotion certificate 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

MODERNIZATION AND RESTART OF THE ALUMINA FACTORY

Renewable Energy





PRODUCTION OF ENERGY FROM ALTERNATIVE SOURCES



Project definition

Azeraluminium LLC plans to build a plant to produce electricity from renewable energy sources (wind and solar), which will supply electricity to the company's projects



Location

Ganja city



Project concept

Production of energy from alternative sources with total planned production capacity up to **400 MW**.



Project concept

Majority portion of electricity is used in electrolysis process during which primary aluminum is being produced. This is a non-stop process 24/7.



Project type

Greenfield

ECONOMIC INDICATORS



Annual electricity consumption

800m kw/h



Implementation period

3-5 years



Equity IRR

20%



Investment

250 mln USD



Payback period

**(construction period included)
25 years**

GOVERNMENT INCENTIVES

For investment promotion certificate holders for 7 years:

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

For investment promotion certificate 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

**PRODUCTION OF ENERGY
FROM ALTERNATIVE
SOURCES**



100MW SOLAR POWER PROJECT

100MW SOLAR POWER PROJECT



Project definition

Nobel Energy plans to construct a solar power plant to produce renewable energy in Jabrayil region, Azerbaijan. After constructing 100MW Solar Power Plant in Jabrayil, Nobel Energy plans to deliver 90% of produced energy to the dedicated customer within NEQSOL holding by signing bilateral agreement with the predetermined commercial entity.



Demand

Supply of **90%** of the generated energy to the consumer of the NEQSOL holding.



Location

Jabrayil region



Landuse

100,2 ha



Production

Renewable energy



Regional demand

Sale of **10%** to the national network



Project type

Greenfield

ECONOMIC INDICATORS



Production capacity

180 GWh/year



Permanent employment

50+ on an ongoing basis



IRR

13%



Investment

75 mln USD



Total assets

70/30 debt-to-equity ratio



Payback period

**(construction period included)
10 years**

GOVERNMENT INCENTIVES

For investment promotion certificate holders for 7 years:

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

For investment promotion certificate 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

Mining





FILIZCHAY PROJECT: POLYMETALLIC DEPOSIT



Project definition

Filizchay is one of the largest polymetallic deposits in Europe. The scoping study is based on underground mine and ore processing capacity of 4,000 tons per day with an expected life of mine for the 30 years, including 3 year development period.

- Hosts a massive sulfide, polymetallic mineral deposit
- The mineral deposit contains potentially economic concentrations of copper (Cu), lead (Pb) and zinc (Zn) metals



Location

Balakan district



Annual production capacity

4 thsd tons



Main products

Ore, iron ore concentrate, hot briquetted iron



Project type

Brownfield

ECONOMIC INDICATORS



Equity

43,8%



Debt

56,2%



Payback period

(construction period included)

11 years



Investment

980 mln \$



Construction completion period

3 years 6 months



Distribution of equity

51,9% - state funds

49,9% - investor

GOVERNMENT INCENTIVES

For investment promotion certificate holders for 7 years:

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

For investment promotion certificate 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

**FILIZCHAY PROJECT:
POLYMETALLIC DEPOSIT**

Heavy Industry





“QARABAG STEEL” PROJECT



Project definition

The Qarabag Steel project is conceived as a forward-looking endeavor aimed at establishing a leading position within the steel manufacturing industry. It encompasses the development of advanced production lines for the fabrication of steel profiles with diameters ranging from 13–51 mm and 51–152 mm, addressing a significant demand in both domestic and international markets.



Market insights

Market analysis reveals a robust demand for steel profiles, quantified at 86,100 tons for 13–51 mm profiles and 159,900 tons for 51–152 mm profiles. Current domestic production satisfies only a fraction of this demand, highlighting a substantial market opportunity for the project. The competitive landscape includes a few key players, with the project poised to capture a significant market share through strategic investments in production capacity and quality.



Location

Aghdam Industrial Park



Employees

94



Land use

5 ha



Annual production capacity

230 thsd tons



Project concept

Establishment of a steel production plant



Main products

Steel pipes, steel profiles



Project type

Greenfield

ECONOMIC INDICATORS



Equity

50%



Debt

50%



Sales orientation

40% for local market
60% for export



Value of the project

19 mln USD



Required investment

9 mln USD



Investment made

10 mln USD

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.

“QARABAG STEEL” PROJECT

Light Industry



CONSTRUCTION OF A NEW COTTON YARN FACTORY



Project definition

The construction of the new spinning mill will remove the barrier in moving up in the value chain and enable the textile industry in the Republic of Azerbaijan to become more specialized and gain importance in the international market.

It is planned to purchase modern equipment from Europe for the new enterprise and produce certified yarn according to the latest standards. In the next stages, vertical growth is planned further along the value chain. The factory is planned to be built in the “Araz Valley Economic Zone” (“AVEZ”), which provides special financial benefits and government subsidies.

The main products are seedless raw cotton, cotton seed, technical cotton, cotton oil, auxiliary products, etc. The company’s products are mainly exported to Türkiye, Tajikistan, Iraq, and Kazakhstan. During the 2021–2022 season, the company cultivated 25,520 hectares of area and harvested 78,685 tons of raw cotton. All the raw cotton seed produced from raw cotton are 33,196 tons and 39,139 tons respectively.

A new cotton yarn factory is currently being planned to be built in Azerbaijan.



Location

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



The actual processing capacity of raw cotton of the enterprise
550 tons/day



Project concept

Establishment of Spinning mill



Main products

Seedless raw cotton, cotton seed, technical cotton, cotton oil



Project type

Greenfield

ECONOMIC INDICATORS



Estimated production

8,9 thsd tons of yarn
2,2 thsd tons of by-product



Annual required amount of cotton as a raw material

11,2 thsd tons (will be provided by the subsidiary company)



Investment

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.

CONSTRUCTION OF A NEW COTTON YARN FACTORY



KRAFT PAPER PACKAGING PROJECT



Project definition

The establishment of a new manufacturing facility, in collaboration with other investors, aims to initiate the production of kraft paper bags for packaging in Azerbaijan. This endeavor seeks to cater to the unexplored domestic market and explore potential export opportunities in the region. Project plans to set up a plant with total capacity of 80-100 mln. pieces per annum and gradually increase production up to 120 mln. pieces during the next 7 years.



Market insights

The Project will be able to satisfy approximately 50% of the demand of the Azerbaijani market for multilayer kraft bags. It is also planned to export products to the regional markets, which will enable the use of the plant's equipment at 70-80% of its capacity. Most of domestic corporate consumers of the kraft paper in Azerbaijan are currently purchasing kraft sacks and bags from abroad. Main imports are coming from Türkiye, Russia and Ukraine.



Local demand

120 mln pieces



Location

Sumgait Chemical Industrial Park

Total area: **1.2 – 1.5 ha**

Production area: **4,412 m²**



Raw materials

Kraft paper, glue, film and dye



Main products

- Kraft paper sacks
- Kraft paper bags



Project type

Greenfield

ECONOMIC INDICATORS



Production capacity

80-100 pieces per annum



Permanent employment

80+ people



Equity IRR

18.1%



Investment

15,1 mln USD



Payback period

(construction period included)
5.5 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.

KRAFT PAPER PACKAGING PROJECT



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