



Ministry of Agriculture
of the Republic of Azerbaijan



Agro Procurement
and Supply

Opportunities in Agricultural Trade and Investment

Republic of Bulgaria and Republic of Azerbaijan



Ministry of Agriculture

- Central executive body
- Implements the state policy in the agrarian sector, including the production and processing of agricultural products, the provision of essential services to producers, veterinary, plant protection and quarantine, and the efficient use of land.

- 5 -
key
enablers

- Agro-analytics
- Agro-solutions
- Agro-knowledge
- Agro-assistance
- Agro-trading**

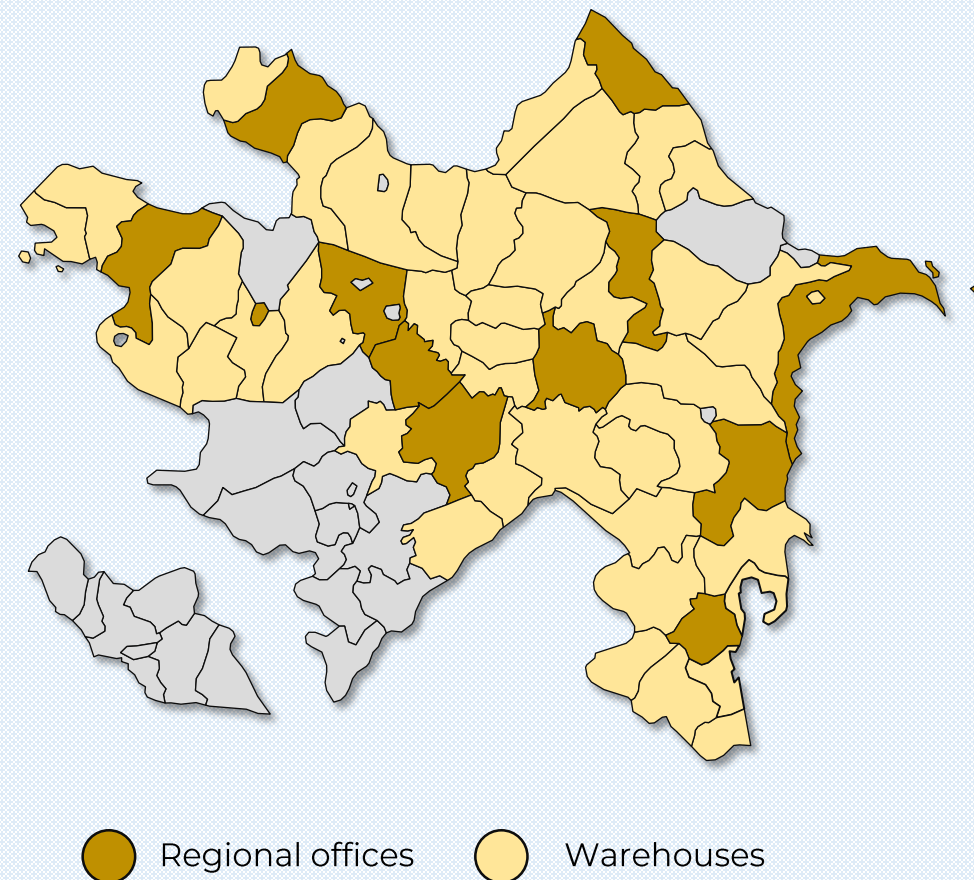




About the company

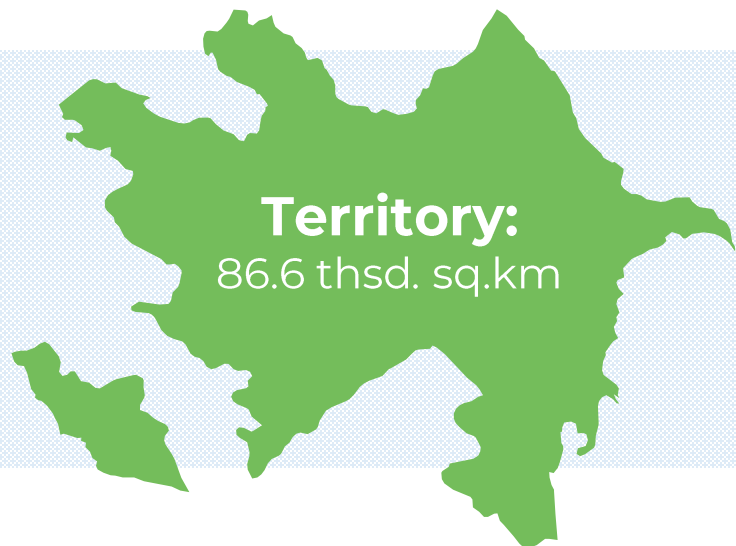
Agro Procurement and Supply OJSC

- **Main focus:** To supply mainly governmental organizations with agri-food products; to support and empower local farmers and agro-entrepreneurs; to ensure their sustainable integration to the food supply chain in Azerbaijan.
- **Key activities:** Procurement of agricultural foods from mainly small and medium farmers, logistics & warehousing, supplying governmental organizations
- **Key resources:** 36 warehouses and 11 regional offices, 20 trucks and 4 18-wheelers, access to the database of more than 400.000 farmers.
- **Supply network:** more than 800 public organizations and nearly 100 private companies.





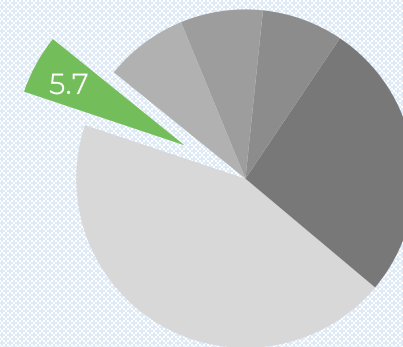
Agriculture in Azerbaijan



Utilized agricultural area (55%)
4779.5
thsd. Ha

Gross Domestic Product by sectors of economy in 2019, %

- Industry
- Agriculture, forestry and fishing
- Construction
- Transport and communication
- Net taxes
- Other sectors



The most exported non-oil product - **30% of total** agricultural export



3rd country in the world
Export volume increased by **40 percent** in 2019.



Export volume increased by more than **3 times** in last 2 years.



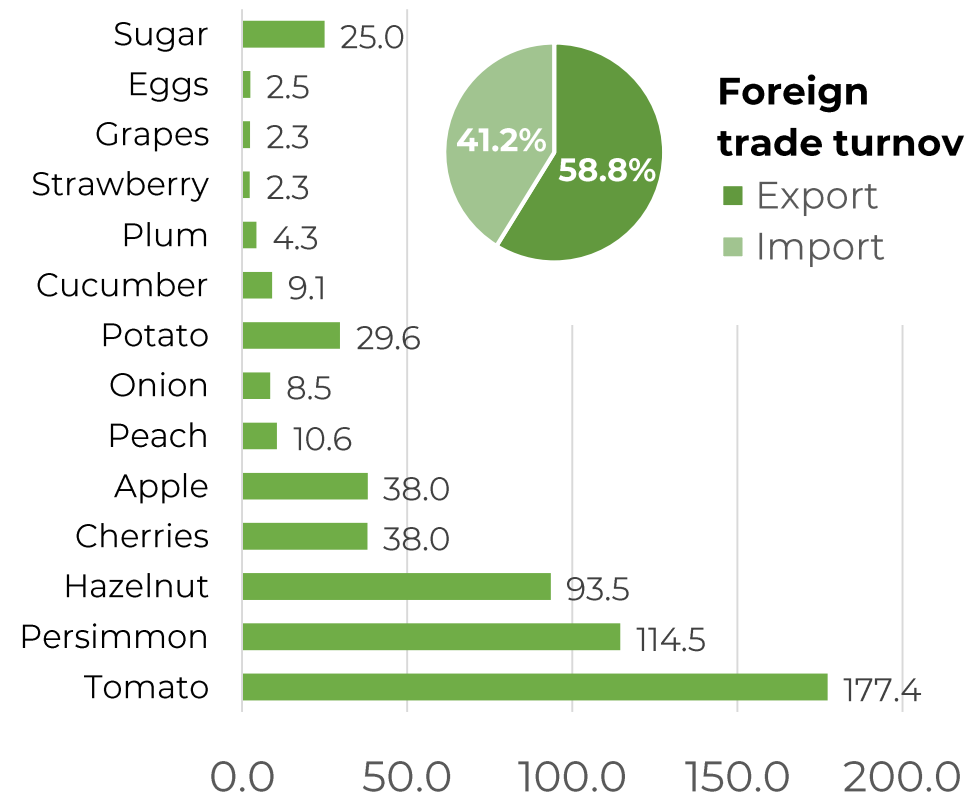
Second most exported agricultural product
104,700 thsd USD



Foreign trade of Azerbaijan

- Foreign trade turnover of Azerbaijan (as of 2019): **\$ 33,3 billion (+7% increase)**
- Non-oil exports: **\$ 1,8 billion (+16% increase)**
- Main export destinations in Agriculture sector: **Russia, Turkey, Italy, Germany, Ukraine**
- Top agricultural export products: **Tomato, Persimmon, Hazelnut, Cherries, Apple, Peach, Onion, Potato, Cucumber, Plum, Strawberry, Grapes, Eggs, Sugar, Raw cotton**
- Legal entities and individuals carried out trading operations with partners in 190 countries, products were exported to 117 countries and imported from 181 countries

Top Agricultural Export products,
million USD



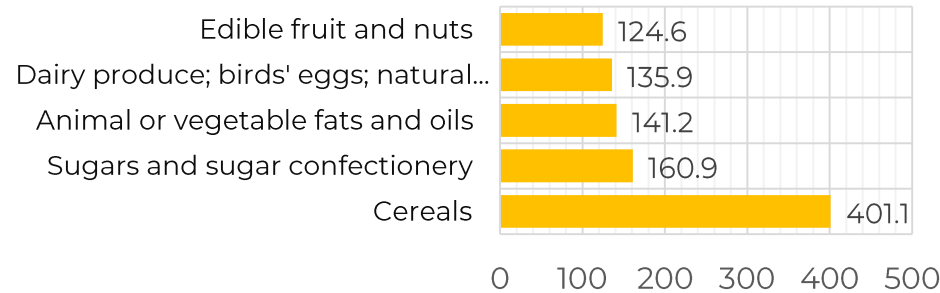


Agricultural trade – Top 5 imports as of 2019

Source: Trademap.org

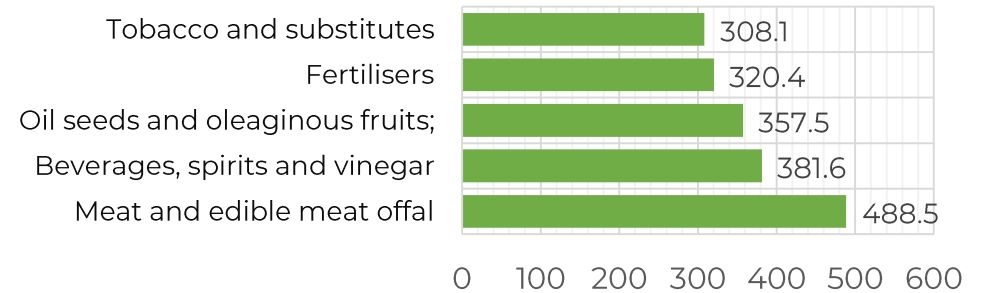
Azerbaijan

Import from world, million USD

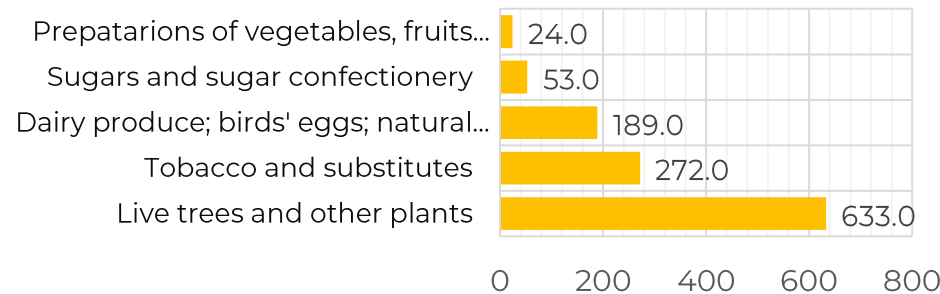


Bulgaria

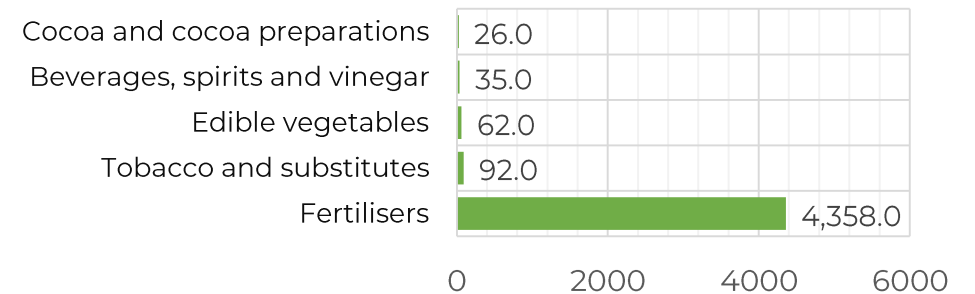
Import from world, million USD



Import from Bulgaria, thsd. USD



Import from Azerbaijan, thsd. USD

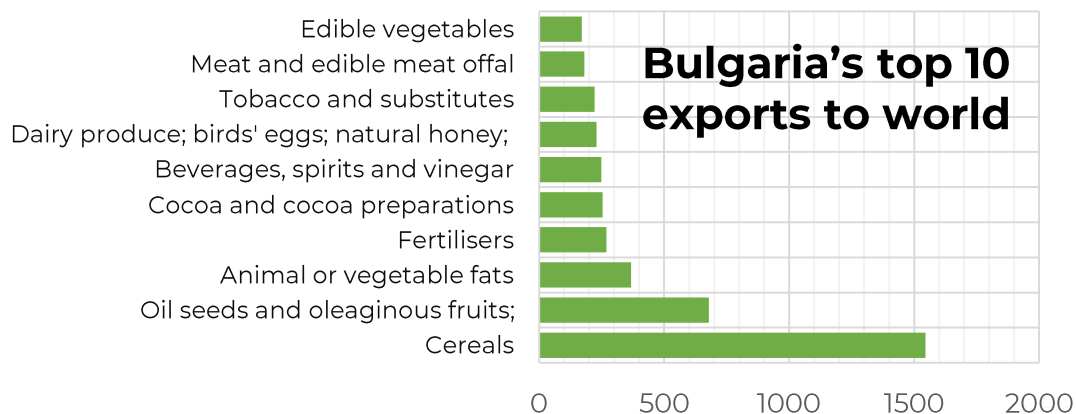
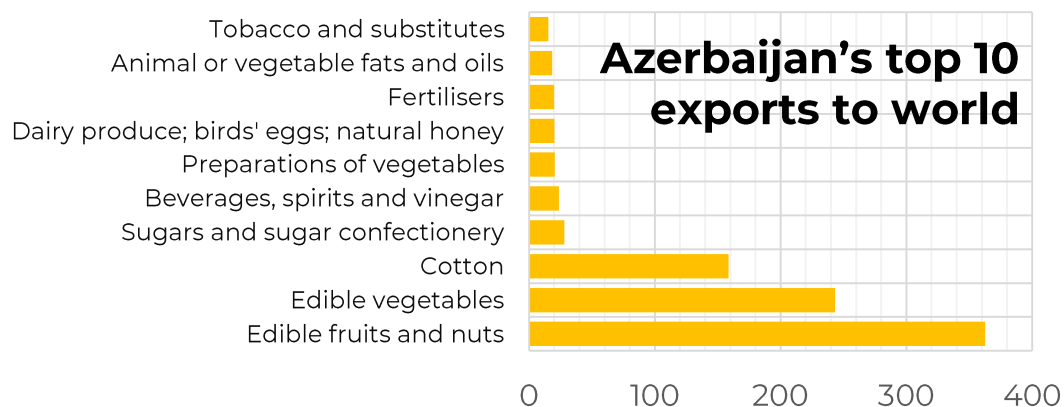




Agricultural trade – Opportunities and challenges

Source: Trademap.org

Top 10 exports as of 2019, thsd. USD



Prospects of cooperation

- Developing bilateral trade relations:
 - Exporting **tobacco, fruits, vegetables and nuts**
 - Importing **cereals, fats, dairy produce and eggs**
- Investing in Agriculture in Azerbaijan
- Implementing social development projects in Agriculture
- Exchange of expertise, study tours

Challenges

- **International travel** is largely restricted or banned.
- Freight is generally not restricted, however, international market is disrupted and **on site quality control** is difficult if not possible.
- **Trade representatives** of respective embassies from the embassies can coordinate quality control operations on behalf of the trade companies

Why invest in Agriculture in Azerbaijan?

Natural conditions

- Favorable **natural and climatic conditions**
- Favorable **geographical location** – trade hub

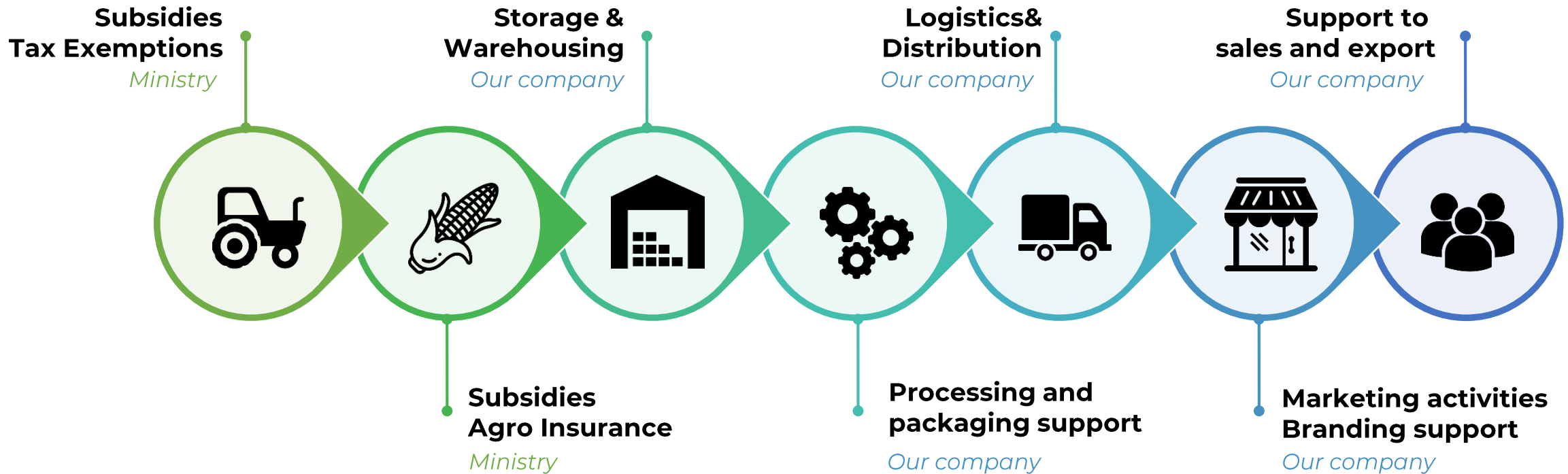
Investor benefits

- **Equal rights and opportunities** for all investors
- Strong **investor protection policy** and legislation
- **Compensation** for damages and loss
- **Repatriation** of profits ensured
- Low **regulatory burden**
- Limited **price control**
- Over 450 **e-services for businesses**
- Competitive **tax regime**

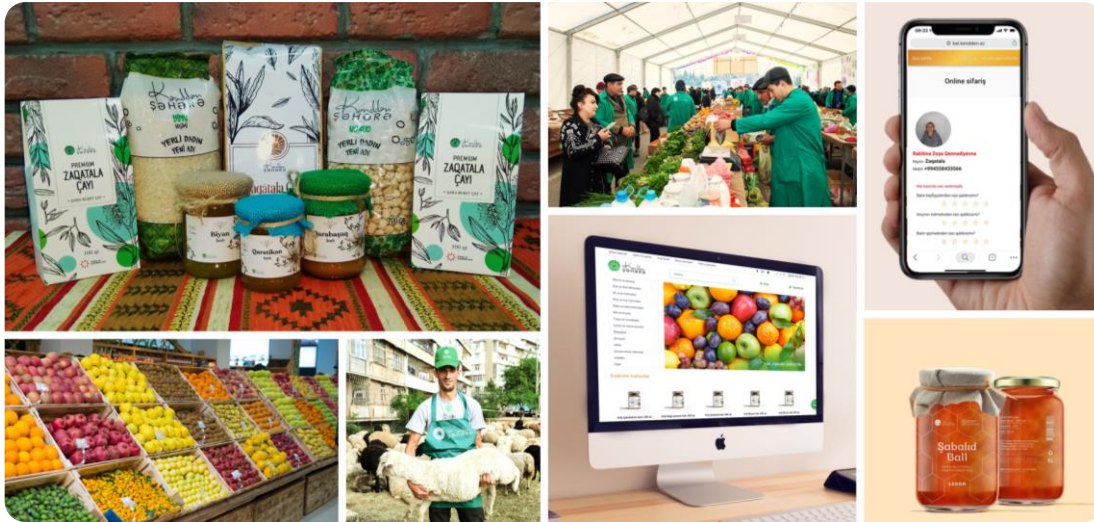




Support to agriculture along the value chain



Value chain development projects



From Village to City

#agromarketing

Project aims to create **alternative sales channels** mainly for small and medium local farmers and food manufacturers and help them in branding, packaging, and selling their products.

4 subprojects: Branding & Packaging, Stores, Fairs, Online store



Byjan

#exportpromotion

#agromarketing

Project aims to **stimulate export** of local agricultural products, as well as strengthen export potential, and promote export-oriented production and Azerbaijan brand in agrifood sector.

Main activities: Production, Packaging and Branding of local agri food products, Handling export operations

Rural development projects



Azerbaijani Women in Agriculture

#womenempowerment 01.01.2020 – 01.01.2022

Project aims to increase the number of and develop the **women agri-entrepreneurs** in Azerbaijan.

Main activities are: Technical support, Training and advisory services, Support in sales of produce, Forming women's farmer group.



From City to Village

#agritourism 01.01.2020 – 01.01.2022

Project aims to help farmers to start their agritourism business and attract tourists to their farms.

Main activities are: Training, Farm improvement and renovation, organizing tours, creating platform, marketing and sales support



International
Farmers Forum
2020



A platform for sharing **insights** in Agriculture



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Thank you

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