

Knowledge-based Development in



AZERBAIJAN



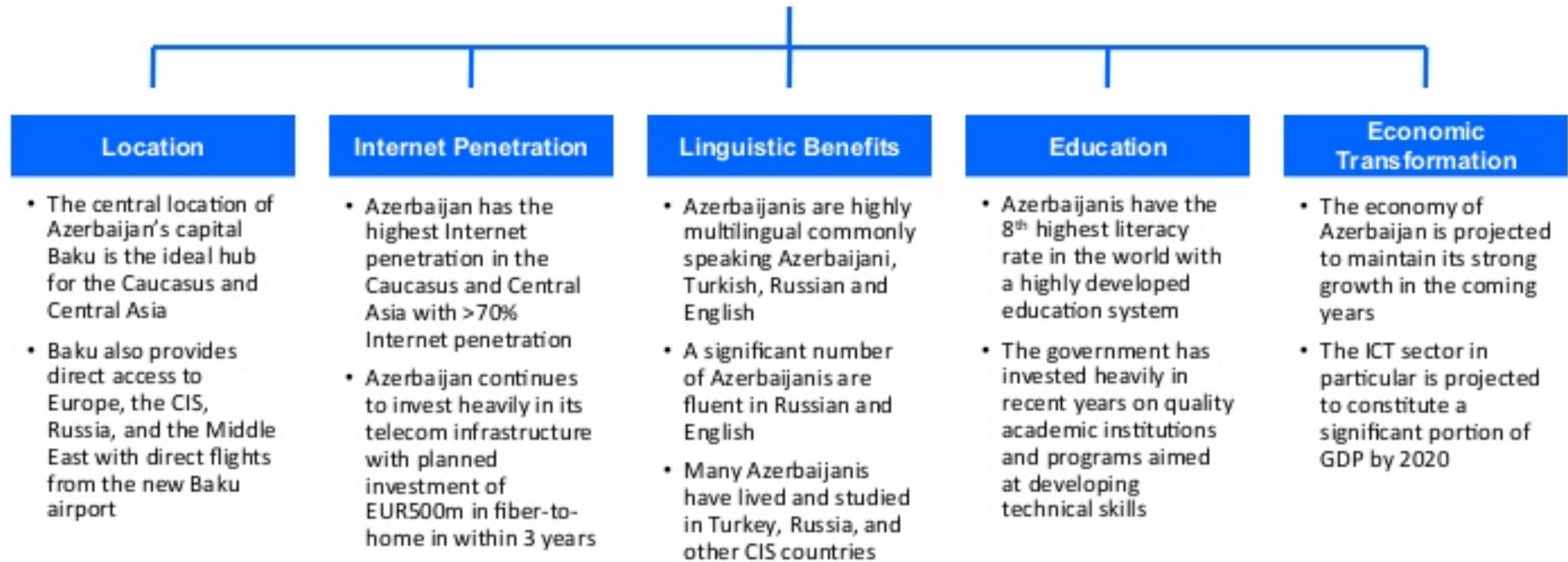
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Deputy Head of BIC @ ANAS HTP

2017 | Bishkek

Azerbaijan provides the most beneficial point of access to the Caucasian and Central Asian high technology markets

Azerbaijan's benefits as a high tech business hub for the Caucasus and Central Asia




Azerbaijan is uniquely located to provide the best access to the Caucasian and Central Asian markets




A Natural Business Hub for the Caucasus & Central Asia

- Azerbaijan is uniquely located to become the natural hub for businesses growing in the Caucasus and Central Asia regions

Potential business coverage from Baku:

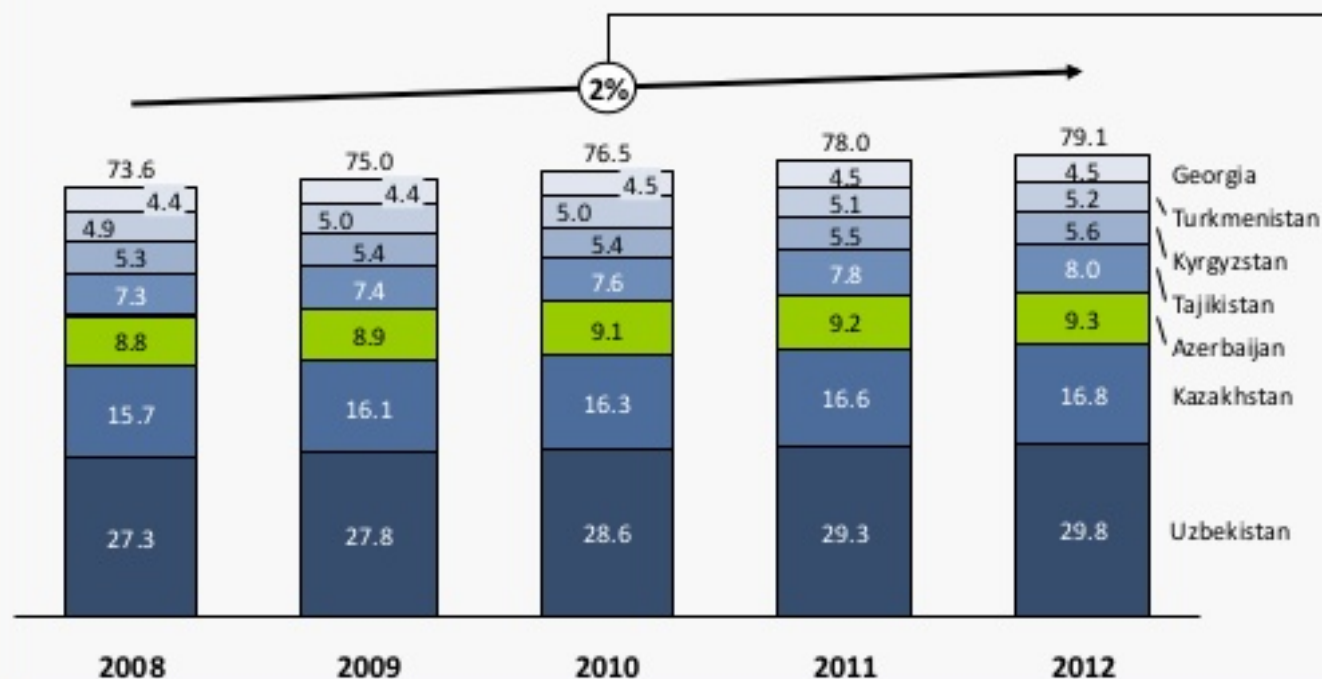
 Core Coverage (Caucasus & Central Asia)

 Strategic Synergy (Turkey, Russia, Ukraine, Belarus, Romania, Moldova)

In 2012, the aggregate population of the Caucasus and Central Asia, to which Baku provides the easiest access, was about 80 million people

Population in Central Asia and Transcaucasia 2008-2012

Millions of Citizens



Regional population is booming above global average at 2% increase per year. In comparison, European population is increasing at only 0.2% per year.

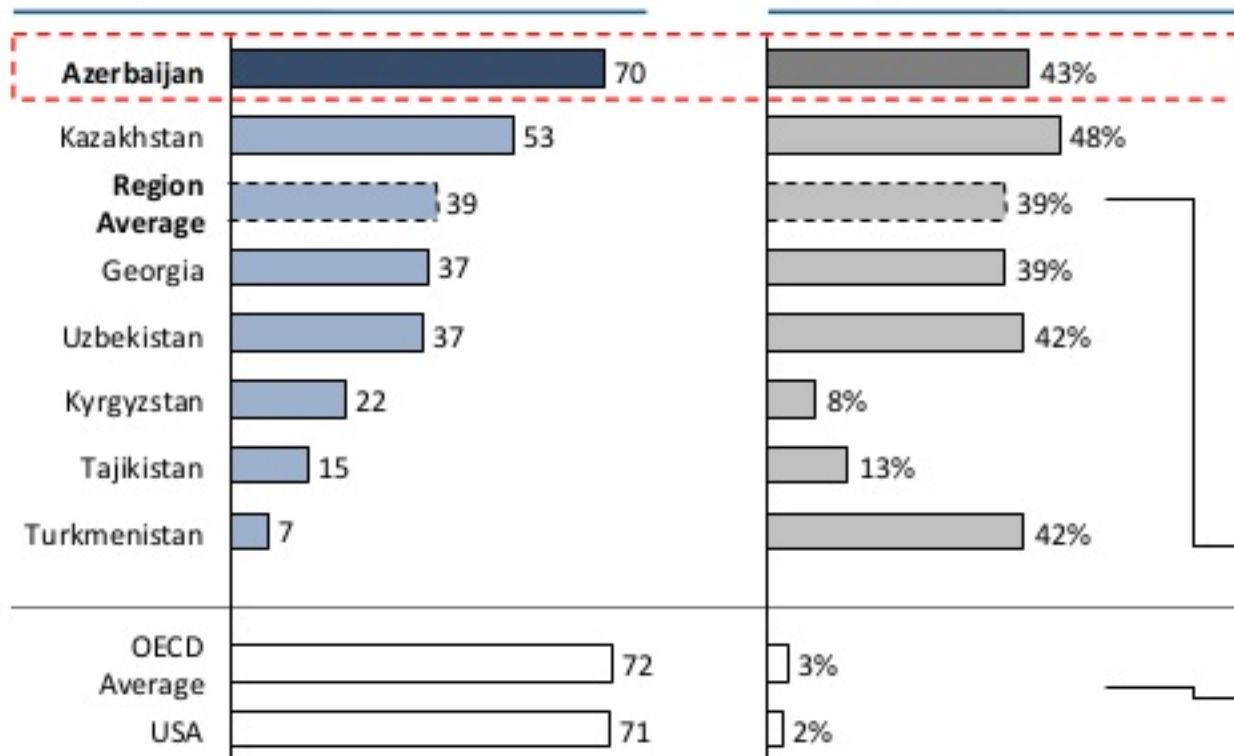
100m

The population of the region of interest within 10 years

Internet usage across the Caucasus and Central Asia has been booming at 39% CAGR with Azerbaijan leading the growth at 43% CAGR

Internet Penetration, 2012
Percentage

Internet Annual Growth, 2008-2012
Percentage



- Azerbaijan leads the Caucasus and Central Asia region in Internet penetration
- Azerbaijan reached this level of Internet penetration with explosive growth with 43% annual growth rate for the period 2008-2012

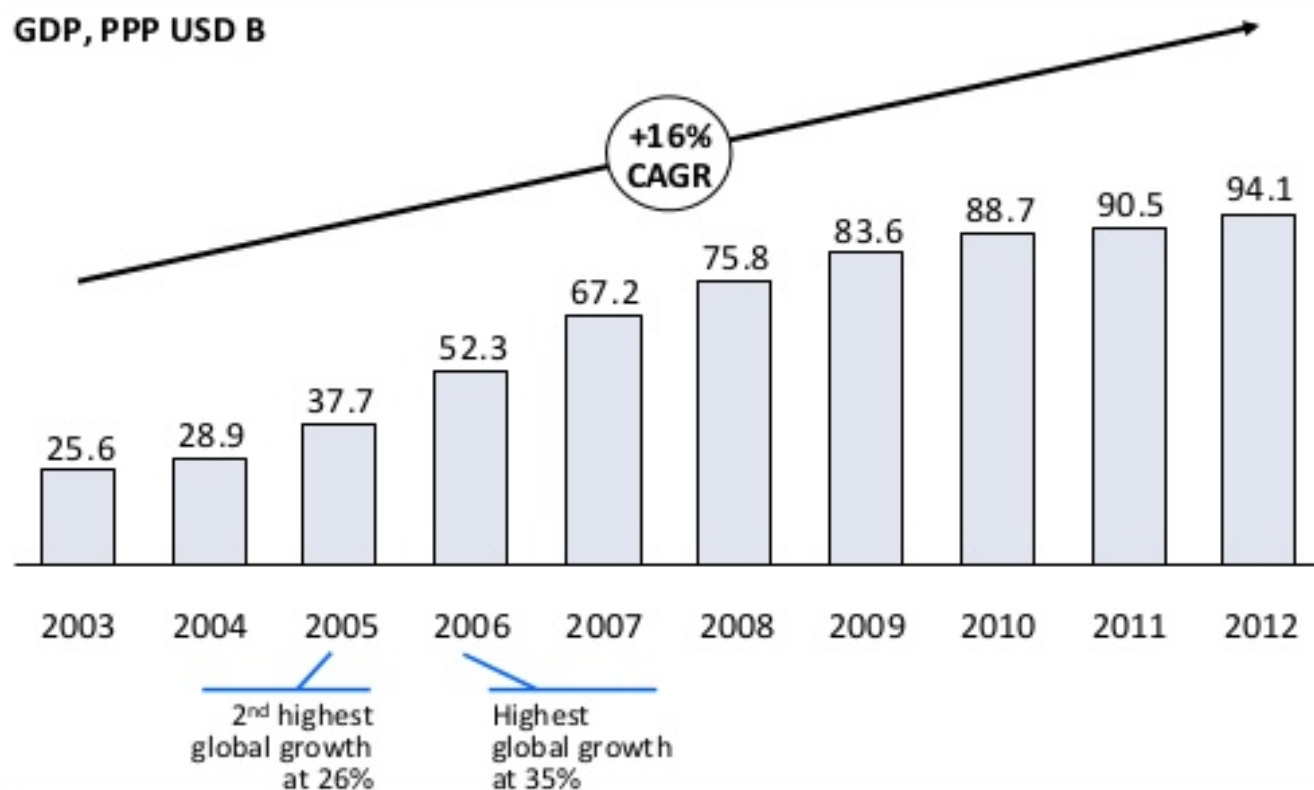
- Regional Internet growth is very strong at just below 40% annual growth rate

- Azerbaijan Internet penetration matches that of OECD and USA

Azerbaijan has grown tremendously in the last decade

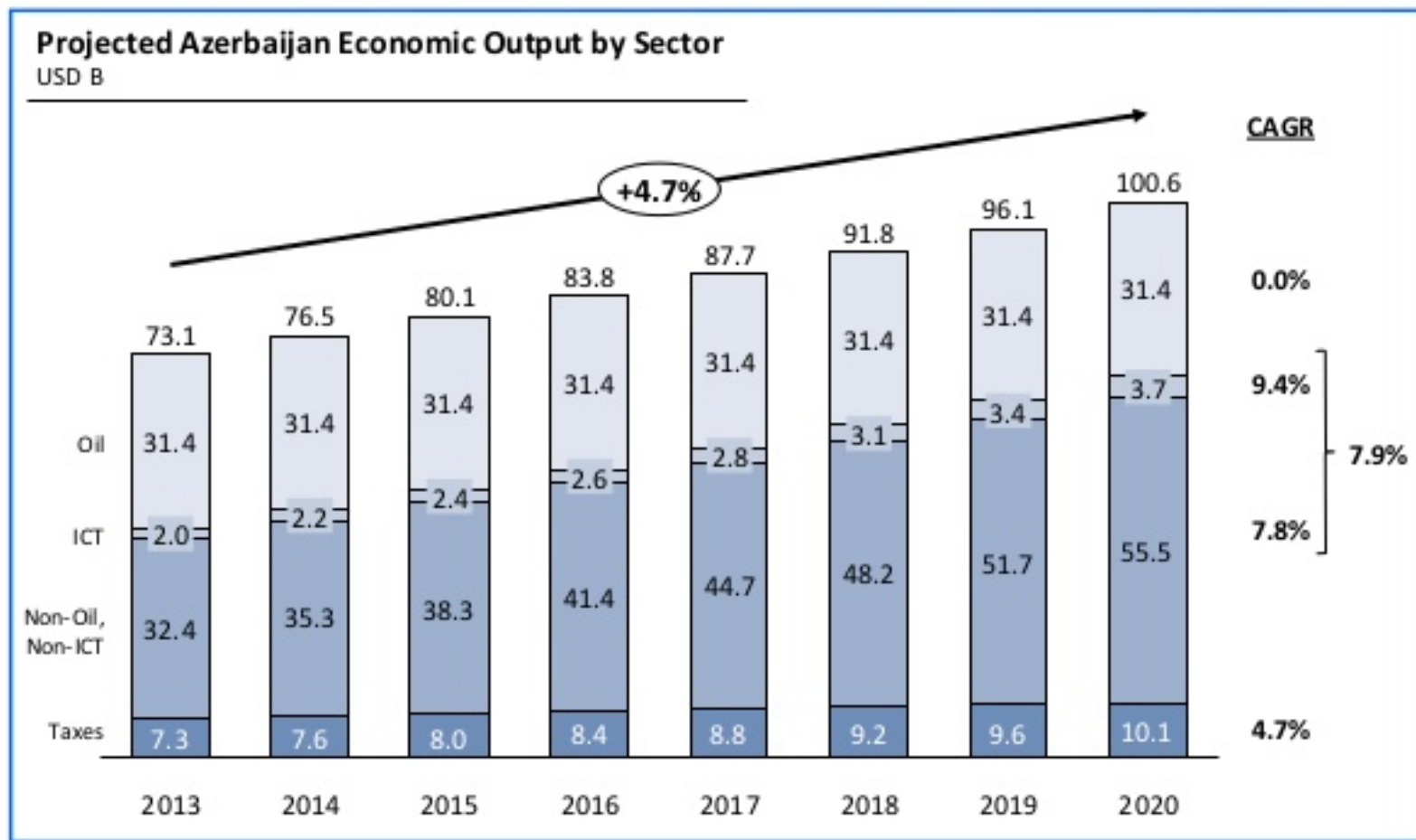
Azerbaijan has a dynamic economy with explosive growth

GDP, PPP USD B



- Economy has grown ~4x since 2003
- GDP per capita has tripled
- Record breaking growth 2005-7

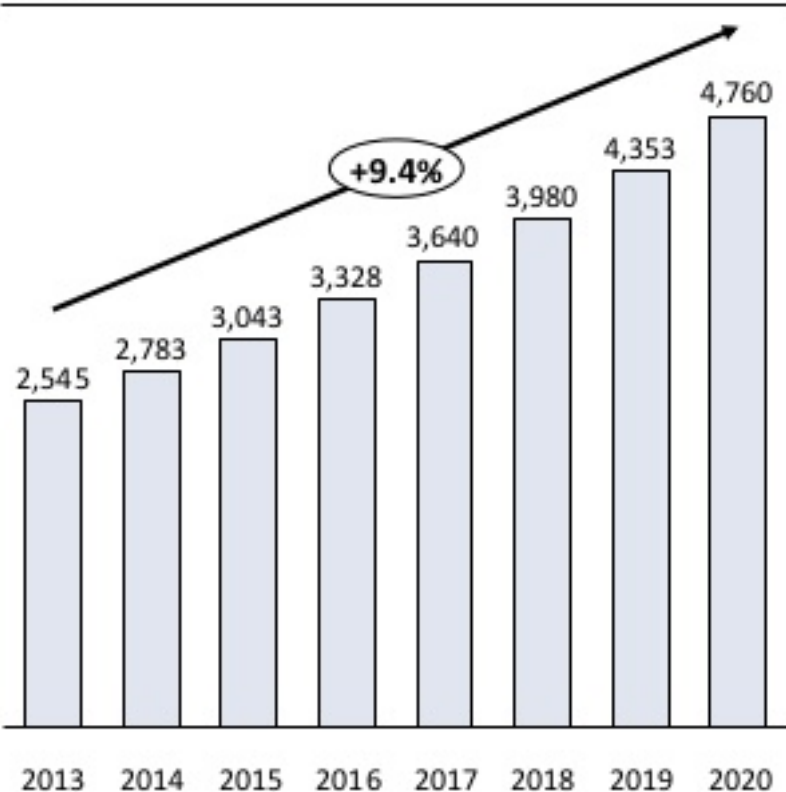
We predict the entire economy of Azerbaijan to grow steadily through 2020 above the global average with oil playing a less prominent role



ICT sector is expected to grow at ~2x GDP and become ~4% of the Azerbaijani economy by 2020; the Knowledge Economy will contribute more than a quarter of the economic output

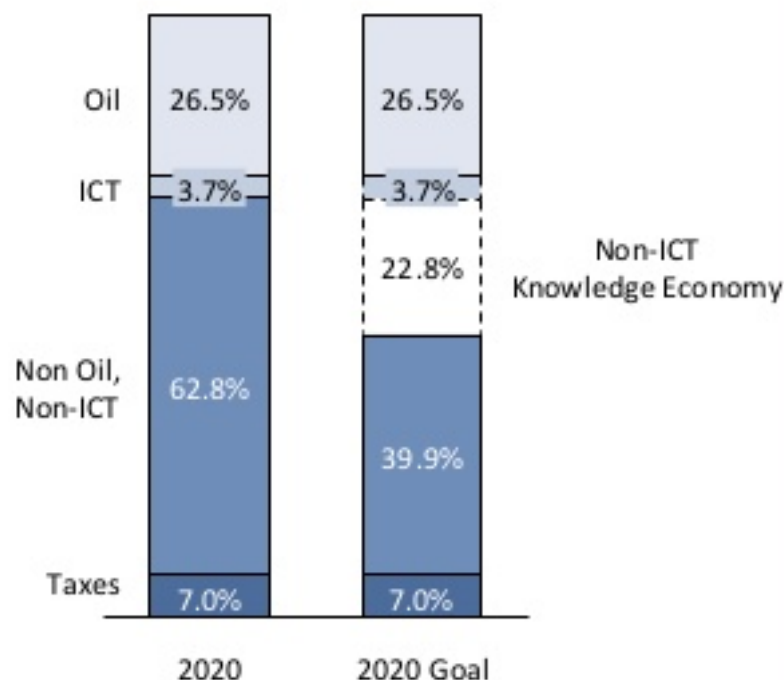
ICT Sector Annual Output

USD M



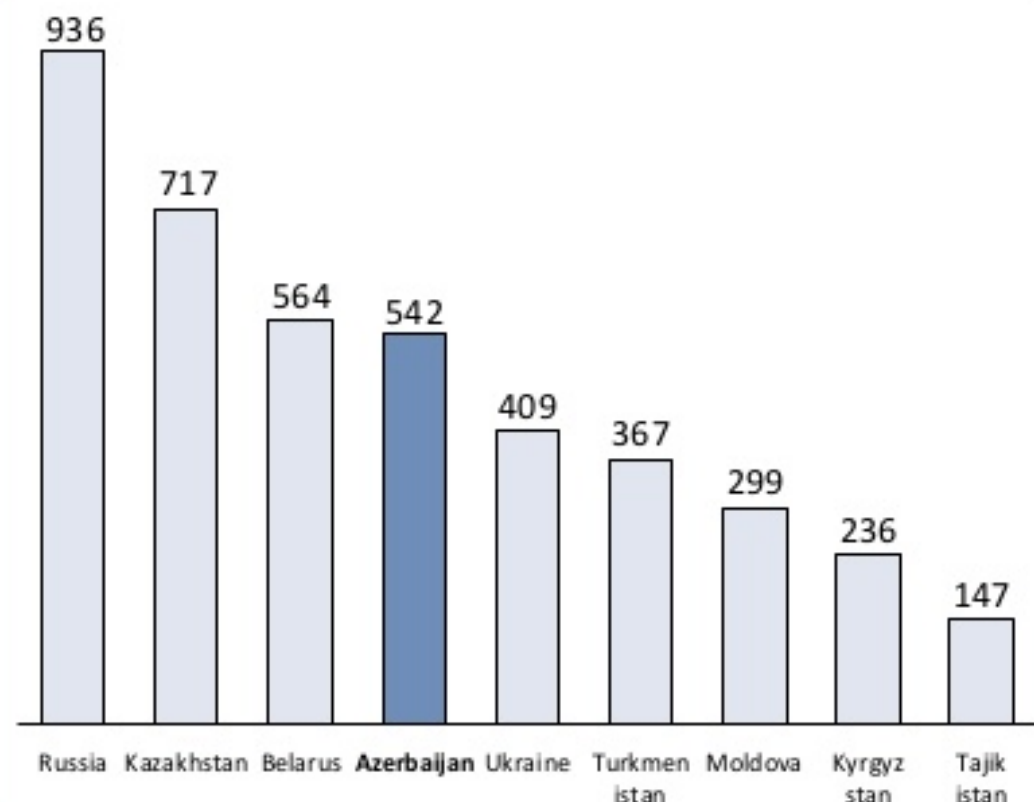
Projected AZ GDP by Share, 2020

% of GDP



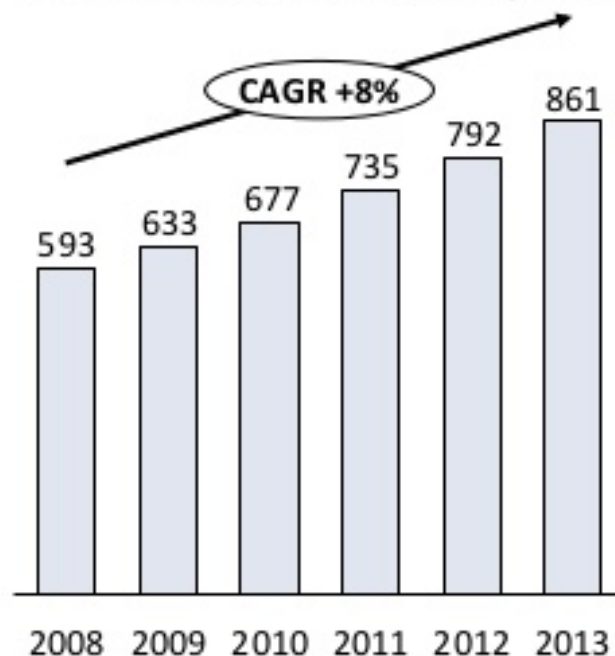
Average wages in Azerbaijan is 42% lower than Russia, wage increase in ICT sector is almost the same as Consumer Price Index increase

Average wages in CIS Countries
USD



Average wages in Azerbaijan for ICT Sector*
USD

* For the same period, increase of;
GDP per Capita (current, USD) 7%
Annual Consumer Price Index average 6.6%



Azerbaijan leading most EU members in competitiveness with its 38th position worldwide, according to the Global Competitiveness Report 2014



Insight Report

The Global Competitiveness Report 2014-2015

Klaus Schwab, World Economic Forum



The World Economic Forum has released its Global Competitiveness Report for 2014 - 2015 on September 3, 2014



Azerbaijan continues to move up in the list and placed in 38th position out of 144 economies
2013-2014 rank: 39
2012-2013 rank: 46
2011-2012 rank: 55

Azerbaijan's best ranks from 12 factors

- Macroeconomic environment – 9th
- Labor market efficiency – 33th

Ranks from Global Competitiveness Report 2014-2015

• Spain	35 th	• Turkey	45 th	• Bulgaria	54 th
• Czech Rep.	37 th	• Italy	49 th	• Hungary	60 th
• Azerbaijan	38 th	• Kazakhstan	50 th	• Georgia	69 th
• Poland	43 rd	• Russian Fed.	53 rd	• Ukraine	76 th

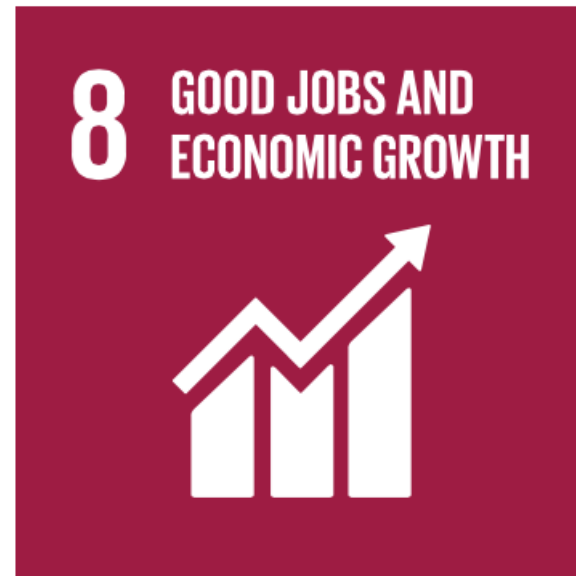
MILLENNIUM DEVELOPMENT GOALS | 2000 - 2015



SUSTAINABLE DEVELOPMENT GOALS | 2015 - 2030



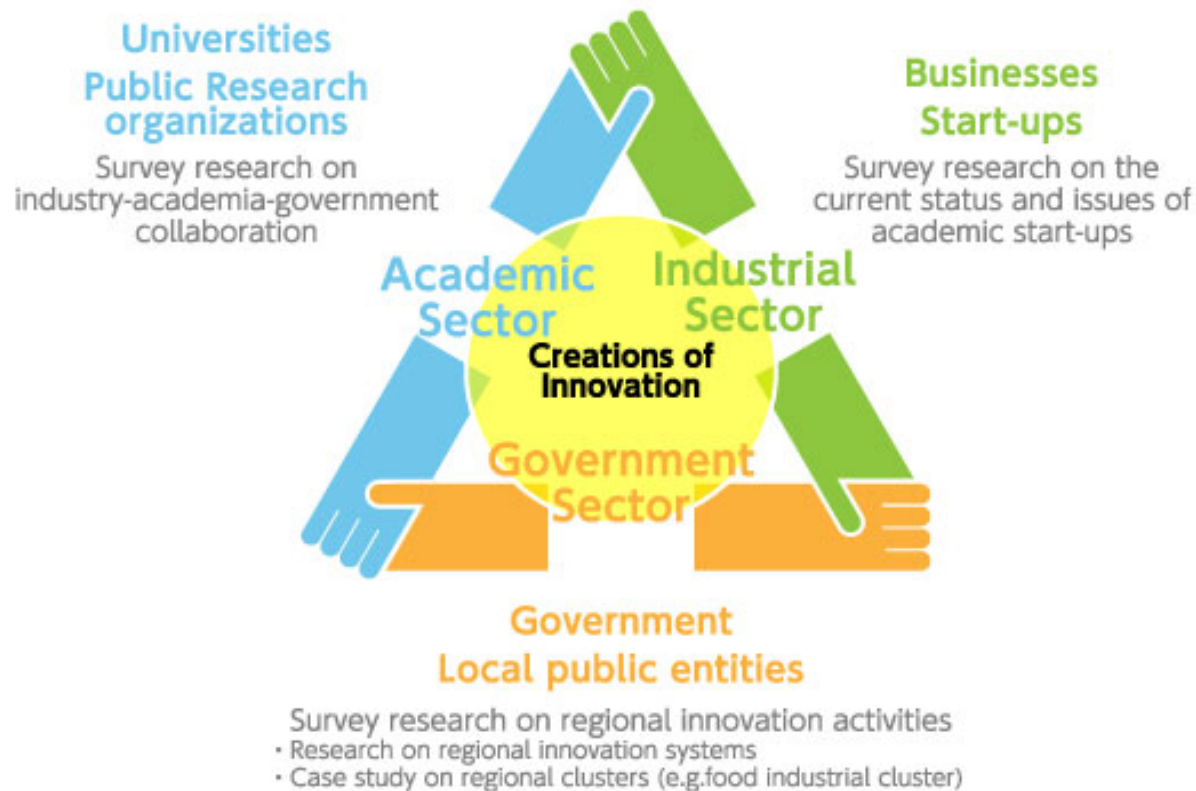
Support the generation of development opportunities to inclusive education and decent work..



**Foster innovation and resilient infrastructures
by creating Communities and cities capable of
producing and consuming in a sustainable way..**



TRIPLE HELIX

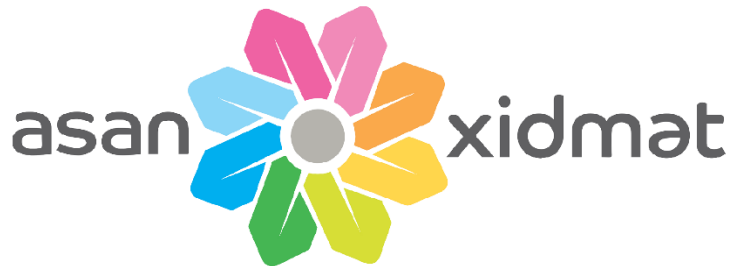


AZERBAIJAN

ENTREPRENEURSHIP ECOSYSTEM

- Government Agencies / Organizations
- Technoparks
- Incubators
- Co-working centers
- Funds
- Investors
- Competitions
- Startups

GOVERNMENT AGENCIES / ORGANIZATIONS



Azerbaijan Export & Investment
Promotion Foundation

TECHNOPARKS



High
Tech
Park



BEUTECHNOPARK



KHAZAR UNIVERSITY

Always leading the way!

TECHNOPARK



INCUBATORS



Business
Incubation
Center



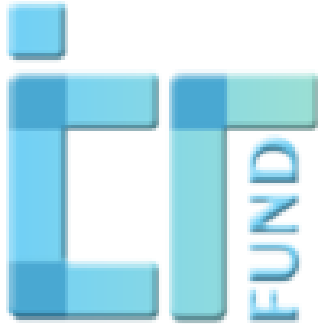
Social Innovation LAB



CO-WORKING CENTERS



FUNDS



ICT FUND



YOUTH FOUNDATION



SCIENCE FUND



**ENTREPRENEURIAL
SUPPORT FUND**



H.ALIYEV FUND



STATE OIL FUND

INVESTORS



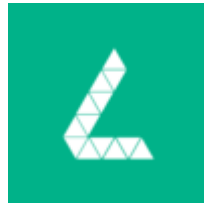
COMPETITIONS



STARTUPS



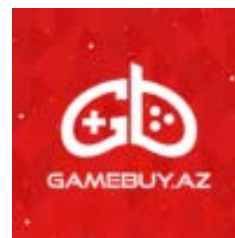
LIA



LENDOCK



KVOTTER



UBER | FACEBOOK | ALIBABA | AIRBNB

The world's
largest taxi
company
owns **zero**
vehicles

50 B \$

The world's
most popular
media owner
creates **zero**
content

450 B \$

The world's
most valuable
retailer
has **zero**
inventory

377 B \$

The world's largest
accommodation
provider owns
zero real
estate

31 B \$



‘Starting a company is like
throwing yourself off the
cliff and assembling an
airplane on the way
down’.

Reid Hoffman
Co-Founder @ LinkedIn

'The illiterate of the **21st century** will not be those who cannot read and write, but those who cannot learn, unlearn, and relearn'.

Alvin Toffler

THANK YOU FOR YOUR CONSIDERATION!



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