



Agenda item: 7

General Debate

Statement by:

Azerbaijan



Speech for General Debate

By the First Deputy Minister of Economy of the Republic of Azerbaijan H.E. Mr. Elnur Aliyev

Excellencies, distinguished delegates,

Ladies and gentlemen,

It is an honor to address this distinguished gathering at UNCTAD's 16th session. Today, as the world navigates shifting trade routes, technological revolutions, and climate imperatives, Azerbaijan stands ready — not as an observer, but as an active architect of a more resilient, inclusive, and sustainable global economy.

At the crossroads of Europe and Asia, Azerbaijan's location is more than geography — it is strategy. The **Middle Corridor**, connecting east to west via the Caspian, has become one of the fastest, most reliable, and sustainable trade routes. Through modernized ports, smart customs systems, and multimodal logistics, we are cutting transport times and costs, strengthening global supply chains.

Our region is entering a new era of stability and cooperation, creating momentum for enhanced connectivity. With peace comes connectivity: new transport and trade routes linking the Caspian region with the Mediterranean and Black Seas are now within reach. The operationalization of these corridors will give the Middle Corridor even greater strategic weight, turning it into the shortest, safest, and most sustainable bridge between Asia and Europe. For Azerbaijan, this means more than enhanced transit capacity. It means **new investments, jobs, and opportunities** across liberated territories and border regions — areas being rebuilt with modern infrastructure, smart logistics, and **green energy solutions**.

From restoring peace to accelerating progress, Azerbaijan has turned challenges into engines of growth. Over the past two decades, Azerbaijan's growth story has been driven by **purpose and policy**. As a result, in 2024, the non-oil-and-gas sector accounted for about 68% of GDP, expecting to reach 70% by the end of 2025.

This progress did not happen by chance — it is the outcome of clear vision and consistent reform. We have established a modern and predictable investment framework, underpinned by **43 bilateral investment treaties**, the **Law on Investment Activity (2022)**, and a **Public-Private Partnership framework** that ensures transparency, long-term stability, and investor protection. To complement these reforms, we have developed an ecosystem that encourages enterprise. Moreover, our **Industrial Parks, Agro Parks, and the Alat Free Economic Zone** offer **10-year tax holidays, customs exemptions, and unrestricted foreign ownership** — creating one of the most dynamic and investor-friendly business environments in the region.

Esteemed guests,

Having laid the foundations of a stable and diversified economy, we are now building the pillars of a digital and knowledge-driven future. We are building AI-ready infrastructure, expanding supercomputing capacity, and integrating **Industry 4.0** technologies across production, logistics, and services. Through the **National Artificial Intelligence Strategy (2025–2028)**, Azerbaijan will foster responsible AI adoption in sectors such as agriculture, healthcare, education, and smart cities — ensuring that digital progress benefits every citizen. This year alone, through the **Coursera National Program**, over thousands of citizens have been trained in AI and data science, underlining our commitment to **human capital and the skills of the future**.

As we accelerate our digital transformation, we are equally determined to ensure that this progress is sustainable — powered by clean energy, green innovation, and climate responsibility. Azerbaijan has pledged to reduce **greenhouse gas emissions by 35% by 2030 and 40% by 2050**, compared to 1990. To deliver on these commitments, the **liberated Karabakh and East Zangazur regions**, as well as the **Nakhchivan Autonomous Republic**, have been declared **Green Energy Zones**, rebuilt with smart infrastructure, zero-emission technologies, and innovative “**smart city**” and “**smart village**” concepts.

Azerbaijan’s focus on the green economy is not a trend — it is a strategic choice, embedded among the five pillars of our “Azerbaijan 2030 National Priorities,” guiding every major reform we undertake. By 2024, **renewables accounted for 20.3%** of installed electricity capacity. These progress is also reflected internationally. According to the World Economic Forum’s Energy Transition Index 2024, Azerbaijan ranks 38th among 120 countries, demonstrating strong progress in regulatory readiness and infrastructure development.

Our national progress is now extending beyond our borders. Azerbaijan is also strengthening its international investment footprint through the establishment of joint investment funds with partner nations. These funds serve as effective instruments for promoting **regional development, economic diversification, and strategic connectivity** across Eurasia. In recent years, Azerbaijan has launched a series of successful joint funds — including the **Azerbaijan–Kyrgyz Development Fund**, the **Azerbaijan–Uzbekistan Investment Company**, the **Turkic Investment Fund**, and the **Azerbaijan–Kazakhstan Investment Fund** — collectively supporting high-impact projects in **industry, innovation, green energy, and transport**.

The latest initiatives — the **Azerbaijan–UAE Investment Fund**, with a capital of **USD 1 billion**, and the planned **Azerbaijan–Oman Direct Investment Fund**, valued at **USD 200 million** — mark a new phase in Azerbaijan’s commitment to **cross-border investment and long-term partnerships**. These platforms not only mobilize resources for the development of the **Middle Corridor and renewable-energy infrastructure**, but also create **shared growth opportunities** for partner economies. By combining public capital with private initiative,

Azerbaijan's joint investment funds exemplify the country's role as a **bridge for sustainable finance**, connecting regions, markets, and ideas in pursuit of inclusive prosperity.

Ladies and gentlemen,

Looking ahead, Azerbaijan's investment outlook has never been stronger. The 1st Azerbaijan International Investment Forum once again highlighted our country's open, predictable, and sustainable business environment. Within the framework of the Forum, agreements exceeding **10 billion US dollars were signed** — with more than **7 billion US dollars directed toward non-oil sector projects** involving foreign partners. These results reaffirm Azerbaijan's position as a trusted destination for long-term and strategic investment.

Our solid fundamentals are equally recognized internationally. The rating agency Moody's recently upgraded Azerbaijan's sovereign credit rating to "Baa3" from "Ba1", officially granting the country investment-grade status and maintaining a positive outlook. This upgrade reflects the success of our ongoing reforms — from diversification and macroeconomic stability to governance and transparency improvements — and acknowledges Azerbaijan's growing role as a transport and green-energy hub in the wider region.

Azerbaijan offers more than stability and opportunity — it offers **vision**. A vision where technology powers inclusion, trade drives sustainability, and green growth creates shared prosperity. We invite investors and partners to join us on this journey — to **build, innovate, and grow together**, right at the heart of the Middle Corridor.

Thank you.