



ALAT FREE ECONOMIC ZONE



CONTENT..

- **ESTABLISHMENT OF ALAT FREE ECONOMIC ZONE**
- **WHAT WILL ALAT FREE ECONOMIC ZONE DO?**
- **LEGAL BASIS OF ALAT FREE ECONOMIC ZONE**
- **BENEFITS FOR INVESTORS**
- **ESTABLISHMENT PROCESS**
- **CONSTRUCTION PROGRESS**
- **CONCLUDING REMARKS**



ESTABLISHMENT of AFEZ

AS PER PRESIDENT'S LONG-TERM VISION, AZERBAIJAN WILL:

- **Become a competitive participant in international economic relations**
- **Establish a world class, attractive business environment with modern energy, transportation and logistical infrastructure**
- **Become a diversified and export - oriented economy creating high added - value**

Establishment of AFEZ

What will AFEZ do?

Legal Basis

Benefits for Investors

Establishment Process

Construction Process

Concluding Remarks



ESTABLISHMENT of AFEZ

..PRESIDENT HAS GIVEN FULL SUPPORT TO THE DEVELOPMENT OF ALAT FREE ECONOMIC ZONE, WHERE THIS INITIATIVE WILL SERVE THE NEEDS OF FOREIGN AND NATIONAL INVESTORS WHO WILL:

- **Engage in high value-added and export-oriented manufacturing and services**
- **Generate additional value to the economy of Azerbaijan in non - oil sector of economy**
- **Engage in internationally traded activities using innovative technologies and approaches to work**

Establishment of AFEZ

What will AFEZ do?

Legal Basis

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Establishment Process

Construction Process

Concluding Remarks



LEGAL Basis.

..FEW WORDS ABOUT AFEZ LEGISLATION

- **Alat Free Economic Zone legislation is formed by Law on Alat Free Economic Zone and Internal Regulations, and this legislation is applied within the Free Zone, taking precedence over Base economy legislation and has been prepared, from the perspective of potential Investors and best international practice.**

Establishment of AFEZ

What will AFEZ do?

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Construction Process

Concluding Remarks



LEGAL Basis.

AFEZ LEGISLATION

- **The Alat Free Economic Zone Law sets out the legal framework for the operation, development and governance of Alat Free Economic Zone, which was adopted by the Parliament and approved by the President, as a prevailing Law of the Republic of Azerbaijan.**

Establishment of AFEZ

What will AFEZ do?

Legal Basis

Benefits for Investors

Establishment Process

Construction Process

Concluding Remarks



LEGAL Basis.

AFEZ LEGISLATION

- **Internal regulations are issued by the Alat Free Economic Zone Authority to regulate and guide day-to-day activity in Alat Free Economic Zone in compliance with both policy goals and the Alat Free Economic Zone Law.**

Establishment of AFEZ

What will AFEZ do?

Legal Basis

Benefits for Investors

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LEGAL Basis.

AFEZ REGULATIONS

24

- COMPANY REGULATIONS
- LICENSING REGULATIONS
- REAL PROPERTY REGULATIONS
- INTELLECTUAL PROPERTY REGULATIONS
- ANTI - MONEY LAUNDERING REGULATIONS
- ULTIMATE BENEFICIAL OWNERSHIP REGULATIONS
- MIGRATION REGULATIONS
- INSOLVENCY REGULATIONS
- COMPANY ADMINISTRATION REGULATION
- TAX REGULATIONS
- EMPLOYMENT REGULATIONS
- PLANNING AND BUILDING REGULATION

- COMMERCIAL REGULATIONS
- FINANCIAL MARKETS REGULATIONS
- CUSTOMS REGULATIONS
- HEALTH AND SAFETY CONSTRUCTION REGULATIONS
- HEALTH AND SAFETY OCCUPATIONAL REGULATIONS
- HEALTH, SAFETY, SECURITY AND ENVIRONMENTAL LEGISLATION
- DISPUTE RESOLUTIONS REGULATIONS
- COMPETITION REGULATIONS
- UTILITIES REGULATIONS
- FEES RULES
- ACCOUNTING & FINANCIAL REPORTING REGULATIONS
- ELECTRONIC SIGNATURE AND ELECTRONIC TRANSACTIONS REGULATIONS

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LEGAL Basis.

AFEZ LEGISLATION

- **To demonstrate precedence of Alat Free Economic Zone Legislation, amendments were made in near 80 base economy laws and the process is ongoing. In particular, amendments made and adopted by Parliament in tax, customs, licensing, labor, dispute resolution and other laws of the base economy, clearly acknowledge that Alat Free Economic Zone legislation, take precedence over those laws.**

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BENEFITS for Investors.

..ABOUT INCENTIVES

- **Investors are not required to pay:**
 - Value Added Tax,
 - Withholding Tax,
 - And any other Corporate Tax,
 - No personal income tax for local personal.
- **Exemption from customs duties and taxes on Import and Export.**
- **No personal income tax, social security payments and other similar taxes and payments for foreign skilled personal.**

Establishment of AFEZ

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Benefits for Investors

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BENEFITS for Investors.

- **No restrictions on foreign ownership.**
- **No requirement for a local partner.**
- **Investor property is immune from nationalization or other restrictions.**
- **No restrictions on foreign currency or profit repatriation.**
- **On-site one-stop shop business appraisal, licensing, permitting.**
- **International standard independent dispute resolution.**
- **Availability of local skilled personal.**
- **Industrial training center.**
- **Full protection of intellectual property rights.**
- **Independent regulatory AUTHORITY.**

Establishment of AFEZ

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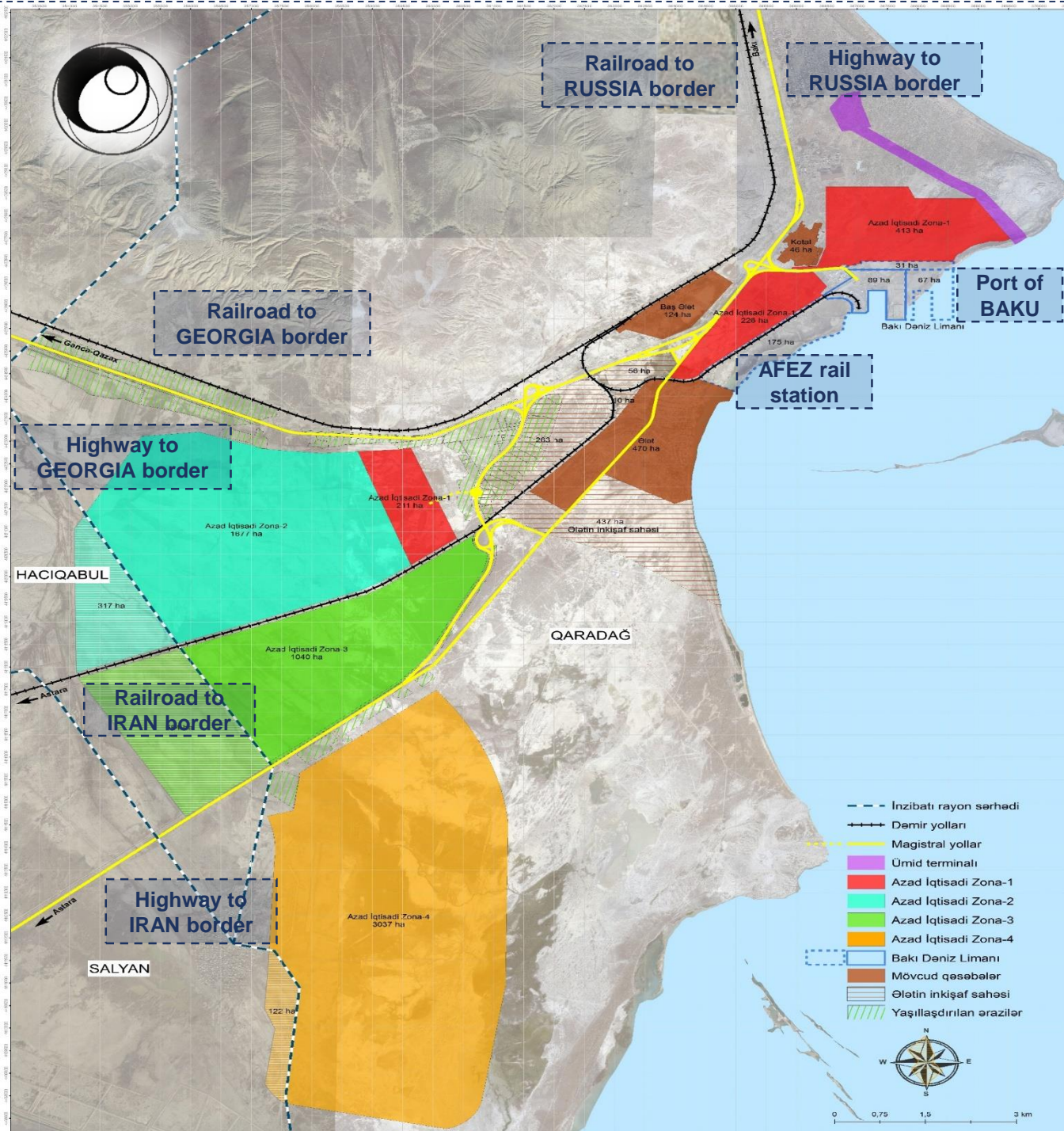


The success of Alat Free Economic Zone will arise from attraction of new Investors and aftercare support.

IN OUR EYES CLIENT
OF AFEZ IS CLIENT
FOR Life....

CONSTRUCTION Process.

- In addition to benefits, AFEZ will provide industrial land sites with ready to use off-site and on-site infrastructure and utilities.
- Based on approved master plan, Alat Free Economic Zone initially will occupy a total site area of approximately 850 ha, located adjacent to the Port of Baku. Alat Free Economic Zone will be built in several phases.
- Moreover, Government reserved additional 8000 ha for future expansion of the Alat Free Economic Zone





There are three subzones that will be developed:

What is AFEZ?

Vision

Mission

Why AFEZ?

Legal Basis

Incentives

Location

Target Clients

Application process

FEZ 1

198 ha

Located to the southwest of Baku International Sea Trade Port and targeted to light manufacturing and logistics

FEZ 2

441 ha

Located to the north of Baku International Sea Trade Port targeted to light manufacturing

FEZ 3

211 ha

Located south of Baku International Sea Trade Port with access to two highways, railway and targeted at heavy industry





CONSTRUCTION Process.

- **Development of off-site infrastructure of Phase 1 is finished and now we started infrastructure works of initial 60 ha adjacent to the highway, railroad and Port of Baku. At the same time, in upcoming weeks, construction of Alat Free Economic Zone Business Center will commence.**

Establishment of AFEZ

What will AFEZ do?

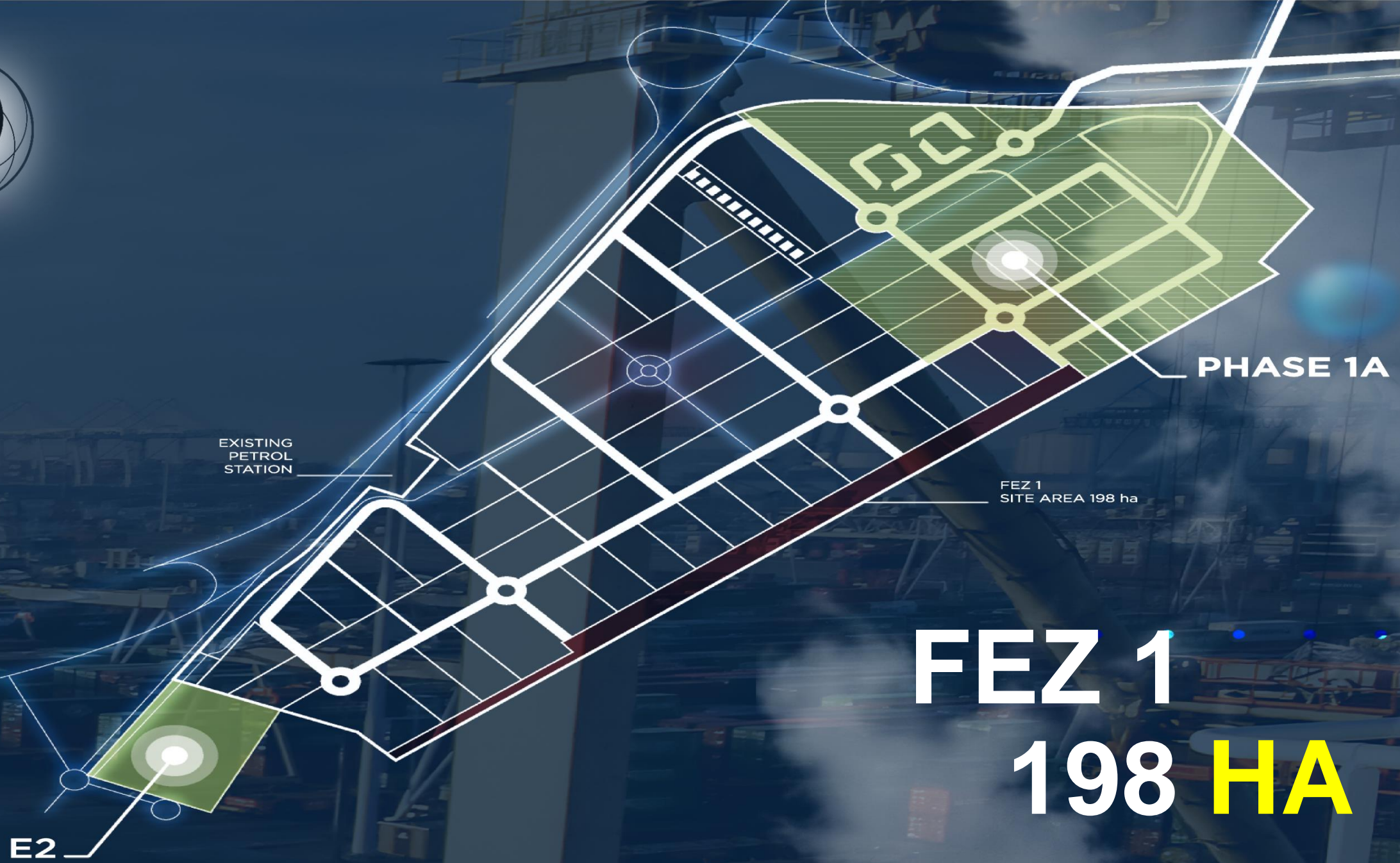
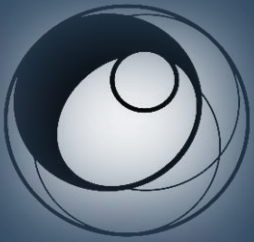
Legal Basis

Benefits for Investors

Construction Process

Establishment Process

Concluding Remarks



PHASE 1A

EXISTING
PETROL
STATION

FEZ 1
SITE AREA 198 ha

E2

FEZ 1
198 HA



CONSTRUCTION Process.

The physical development program is on schedule, and we are planning to finish Phase 1 and open for business in

..July 2022

Establishment of AFEZ

What will AFEZ do?

Legal Basis

Benefits for Investors

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Concluding Remarks

July 2022

Advance office accommodations for investors

One-stop-shop

Investor offices

Customs Plaza





ESTABLISHMENT Process.

START YOUR INVESTMENT JOURNEY IN

5 STEPS:

- | | |
|---------|--------------------------------------|
| STAGE 1 | INITIAL ENQUIRY |
| STAGE 2 | ADVANCED ENQUIRY |
| STAGE 3 | PRE - APPROVAL DISCUSSIONS |
| STAGE 4 | PROPERTY SPECIFIC DISCUSSIONS |
| STAGE 5 | AFEZ AUTHORITY APPROVAL |

Establishment of AFEZ
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Legal Basis
Benefits for Investors
Construction Process
Establishment Process
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ESTABLISHMENT Process.

Establishment of AFEZ

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Concluding Remarks

- STAGE 1 **Investor makes first contact with AFEZ**
- STAGE 2 **Business Plan submitted**
- STAGE 3 **Detailed discussions on Business Plan**
- STAGE 4 **Reservation of plot area and office**
- STAGE 5 **Letter of Offer issued to Investor**



CONCLUDING Remarks

01

- **First, we want to create the best possible environment for investors, so they can successfully do business in Alat Free Economic Zone.**

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CONCLUDING Remarks

02

- **Second, we want to show the new generations of the people of Azerbaijan what the transition to an internationally competitive and knowledge-based economy means in practice.**

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Establishment Process

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CONCLUDING Remarks

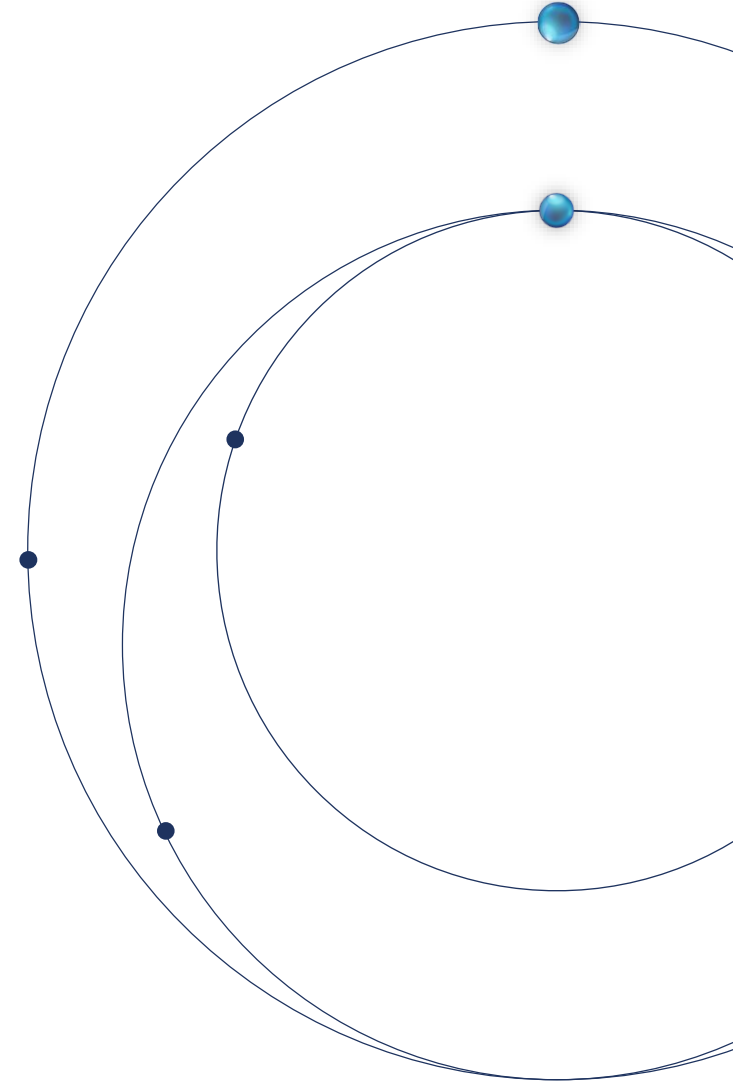
03

- **Finally, we want to demonstrate new business culture, and subsequently create innovative companies, which will create real value for the economy and the people of Azerbaijan.**

Establishment of AFEZ
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THANK YOU !





CONTACTS

ENGAGE WITH US NOW

If you consider your Company to be one of those to benefit from locating in AFEZ, or just wish to be kept informed of developments as they proceed, please make use of the contact options to let us know and we will ensure that you are kept fully up to date on the opportunities available in AFEZ.

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