



Project title	Azerbaijan Investment Climate and Agribusiness Competitiveness
Project duration	2017–2020
Swiss contribution	USD 4'600'000 (for Azerbaijan and Georgia)
Project partners	State Commission for Improvement of Investment Climate and International Economic Rankings, Ministry of Economy, Ministry of Agriculture, National Food Safety Agency; International Finance Corporation (IFC)
SCO strategic goal	Inclusive and sustainable economic development

Background

The Azerbaijan Investment Climate and Agribusiness Competitiveness (AICAC) project is a part of a SECO-funded Multi-Country Investment Climate Program, which supports investment climate advisory reforms in partner countries. Among other contributions, the development objective of the project is to improve competitiveness and promote sustainable private sector-driven growth in Azerbaijan and Georgia.



AICAC aims to support sustainable private sector-driven growth in Azerbaijan. Photo: © SCO Baku

Project objectives

The AICAC helps government agencies to improve their policies to regulate competition, legal and regulatory framework for investments and to address challenges in selected sectors, such as agribusiness, through investment climate advisory services delivered by IFC. Typically, such a project reviews the competition code, develops a strategy on foreign direct investment, streamline licensing and inspection of businesses and works with specialized agencies, such as food safety agency, in order to improve standards which are mandatory for export.

Project activities

The project starts in 2018. Currently, cooperation agreements with the relevant government authorities are being negotiated.

Expected project results in Azerbaijan

The project is expected to achieve the following results through two main components:

1) Investment Climate

- Streamlining business regulation reforms and shift to risk-based inspection in order to remove regulatory complexities for businesses. This will lead to a reduction of compliance costs and provide effective government-to-business services
- Upgrading national investment policy and promotion – special focus will be given to developing an Investment Reform Agenda that can serve as a guideline for responsible authorities.

2) Agribusiness Competitiveness

- Enhancing access to quality seeds which will address the currently limited availability of seed varieties and good quality seeds in domestic markets
- Regulatory streamlining along agribusiness value chains to simplify and optimize the regulatory requirements for agricultural production
- Expanding access to agri-finance products, which will ease access to finance for agri-business entities.

Perspectives

The expected results of the AICAC projects are in line with the Strategic Road Maps for the national economy and will support the Government of Azerbaijan in creating a better environment for foreign direct investment. This project is a continuation of the Azerbaijan Investment Climate Project (AZIC), which ended in 2014.



Better investment climate attracts investments, increases competition and job creation. Photo: © SCO Baku

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