

Azerbaijan national day

Azerbaijan: Rapidly developing as the land of the future

Gursel Ismayilzade
AMBASSADOR OF AZERBAIJAN

It is my great pleasure to address the readers of The Japan Times on the occasion of National Day of the Republic of Azerbaijan and to extend my warmest greetings and sincere wishes to Their Imperial Majesties Emperor Akihito and



Empress Michiko, the Imperial family, the government and the friendly people of Japan as well as the Azerbaijani community residing in Japan.

Today, we celebrate 96 years since the establishment of the Azerbaijan Democratic Republic, which was the first democratic republic created in the Muslim world. Not only was a multiethnic and multiparty parliament based on the free proportional and universal representation established by the Azerbaijan Democratic Republic, but women were given

the right to vote. Regrettably, Azerbaijan's independence was short-lived and the Republic became part of Soviet Union in 1920 for seven decades until independence was restored in 1991.

Since then, Azerbaijan has undergone a dramatic transformation and become one of the fastest-developing countries in the world. Being an important player in the global energy market, Azerbaijan accounts for more than 80 percent of the South Caucasus economy and contributes to the energy secu-

urity of the region and Europe.

Azerbaijan's oil strategy has opened up extensive opportunities for the implementation of our future plans. The renewal and diversification of the Caspian hydrocarbon export infrastructure secured direct access of Azerbaijani oil and gas to world market. These have become landmark events not only of the past 10 years, but also in the years of Azerbaijani independence. The Trans-Anatolian Gas Project (TANAP), which was initiated by Azerbaijan, contributed to the fact that the

Trans-Adriatic Pipeline (TAP) was selected as the primary route. At the end of 2013, the "Shah Deniz-2" investment agreement was signed in Baku and this has been dubbed the project of the 21st century and, according to estimates, "Shah Deniz-2," TANAP and TAP, along with the implementation of all projects related to this issue, will pave the way for \$45 billion in investment.

Being a place of intercultural diversity and faith, as well as having 9 out of 11 climatic zones, Azerbaijan has a lot to

offer to tourists. From carpet weaving, jazz music, the Gobustan Rock Art Cultural Landscape, the crude oil spa in the city of Naftalan to the exquisite Azerbaijani cuisine, my country has become a new tourist destination. Additionally, Baku, the capital of Azerbaijan, has been chosen as the global center for international events, including the first European Games in 2015.

Today, Azerbaijan is a country where modernity and antiquity meet. It shares a long cultural history with Japan as

the two were part of the Great Silk Road.

The relations between Azerbaijan and Japan are built on the principles of common interest and respect, which work to the benefit of both nations. A new page has been opened in the Azerbaijan-Japan relationship and for the first time ever, we achieved a friendship exchange between Azerbaijan's Ismayilli region and Shizuoka

Prefecture's city of Ito. We believe this exchange will greatly contribute to bringing closer the people of both nations, in particular fostering cooperation in culture, education and tourism.

Our countries have built a long-term efficient partnership based on mutual trust underpinned by strong cooperation in political, economic, humanitarian and cultural areas as well as substantial dialogue on the regional and international level.

I wish the friendly people of Japan peace, prosperity and sustainable development.

Azerbaijan transforming into strong industrial center of region

Shahin Mustafayev
MINISTER OF ECONOMY AND
INDUSTRY OF AZERBAIJAN

Over the past 10 years Azerbaijan has achieved significant progress - it was elected as a non-permanent member to the U.N. Security Council, joined the limited list of the countries with national telecommunication satellites, has undergone the transition into a market economy and become a country making intensive direct investment in foreign countries and transforming into the economic, political and cultural center of the entire region.

In this period GDP grew by 3.4 times, state budget revenues 16 times, industrial production



2.7 times and gross fixed capital investment volume 4.7 times. Between 2003 and 2013, average annual economic growth has been 12.9 percent, making Azerbaijan's economic success among the best in the world.

In the past decade, the country's strategic currency reserves grew more than 31 times, foreign currency reserves to GDP ratio by 68 percent, which is 8 times higher than its foreign debt. From the inception of regaining independence, more than \$172 billion was invested in the economy. Azerbaijan has already become an investor country, investing in neighboring countries, including a number of European countries.

The geography of the country's export expansion, as well as access to new markets are the major achievements of the last decade. At present, Azerbaijan trades with nearly 150 countries.

Foreign trade turnover increased 6.6 times, exports 9.3 times, while imports increased 4.1 times. Non-oil exports also grew 4.7 times.

Azerbaijan has achieved this dynamic economic development at a time of global economic recession. It has no coincidence that the "Global Competitiveness Index" ranked Azerbaijan as the 39th most competitive country in the world. Azerbaijan has held its leading position among the Commonwealth of Independent States' countries for the last 5 years. The world's leading rating agencies such as Fitch, Moody's and Standard & Poor's regularly affirm Azerbaijan's high investment credit rating.

The main trends reflecting sustainable socioeconomic development in the coming years through accelerating the diversification of the economy are

outlined in the "Azerbaijan 2020: A Look into the Future," development concept, particularly with GDP growth to be achieved in the non-oil sector as a target. One of the primary goals of the development concept is enhancing the fostering of non-oil sector, especially non-oil industries, and per capita in non-oil exports.

Currently industrialization is one of the economic policy priorities of Azerbaijan. In 2013 alone, more than 30 modern production enterprises such as shipbuilding, cement, steel pipe, gold and wine producing plants, textile parks, ceramic tile and cardboard container factories and the southern power plant have been launched. Moreover, more than 90 industrial enterprises are under construction.

Additionally, new industries such as defense, space and re-

newable energy have also been realized.

The role of the private sector in the development of industry is growing every year. Between 2004 and 2013, 19 Japanese companies have registered in Azerbaijan. These companies together with the domestic industry, are successfully operating in the fields such as services, construction, agriculture and communications. Up to now four projects financed by the government of Azerbaijan have been carried out by Japanese companies as contractors. In general, between 2002 and 2013 foreign direct investment from Japan has reached \$3.9 billion.

At present logistical matters concerning Sumgait Chemical Industry Park and High-Tech Industrial Park Balakhany have been continuing. Also under this plan, including cities such as Ganja and Mingachevir, mod-

ern industrial parks will be created.

It is certain that the endorsement of the "Year of Industry" as decreed by the President of the Republic of Azerbaijan will ensure a step forward for the industrialization of the country in the coming years, thus becoming the industrial center of the region.

In order to create new non-oil industries except hydrocarbon resources, Azerbaijan also possesses iron ore, gold, copper, alunite and other rich natural resources, which are crucially important. Being one of the world's largest energy projects, "Shah Deniz-2," the Trans-Anatolian Gas Project and the Trans-Adriatic Pipeline are projects seen as galvanizing the country's economy for many years and will contribute particularly to the industrial development of Azerbaijan.

Congratulations

to the People of

the Republic of Azerbaijan

on the Occasion of

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