



AFEZ
ALAT FREE ECONOMIC ZONE





ESTABLISHMENT OF AFEZ

The establishment and successful development of Alat Free Economic Zone is an important part of the general policy of the President of the Republic of Azerbaijan and our government, to develop a knowledge-based and internationally competitive economy in Azerbaijan, which will allow our country:

- **to become a highly competitive participant in international economic relations;**
- **with diversified and export-oriented economy, creating high-added value;**
- **based on a world class attractive business environment, with modern energy, transportation, and logistical infrastructure.**



AFEZ LEGISLATION

- **The Law of The Republic of Azerbaijan on The Alat Free Economic Zone**
- **AFEZ Internal Regulations**



AFEZ LEGISLATION

To clearly demonstrate precedence of AFEZ legislation and exclude possibility of any conflicts in the interpretation of the provisions of AFEZ legislation and base economy legislation, relevant amendments were made in more than 80 base economy laws and this process is continuing.



AFEZ LEGISLATION

AFEZ law clearly declares that Base Economy Authorities

- Shall not have any jurisdiction in the AFEZ and**
- Shall not have any power to regulate or oversee the activities of AFEZ Authority or AFEZ Legal Entities (i.e., businesses established by investors), owners, creditors, employees of these legal entities.**



LEGAL BASIS

AFEZ Internal Regulations

- **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**

- **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**



BENEFITS FOR INVESTORS

- Exemption from value-added tax, withholding tax and any other corporate tax;
- Exemption from customs duties and taxes on import to the free zone and export from the free zone;
- No personal income tax for local personal (if the monthly salary does not exceed 8000 manat - approximately 4700\$);
- No social security payments and no other similar taxes and payments for foreign skilled personnel;
- No restrictions on foreign ownership.



BENEFITS FOR INVESTORS

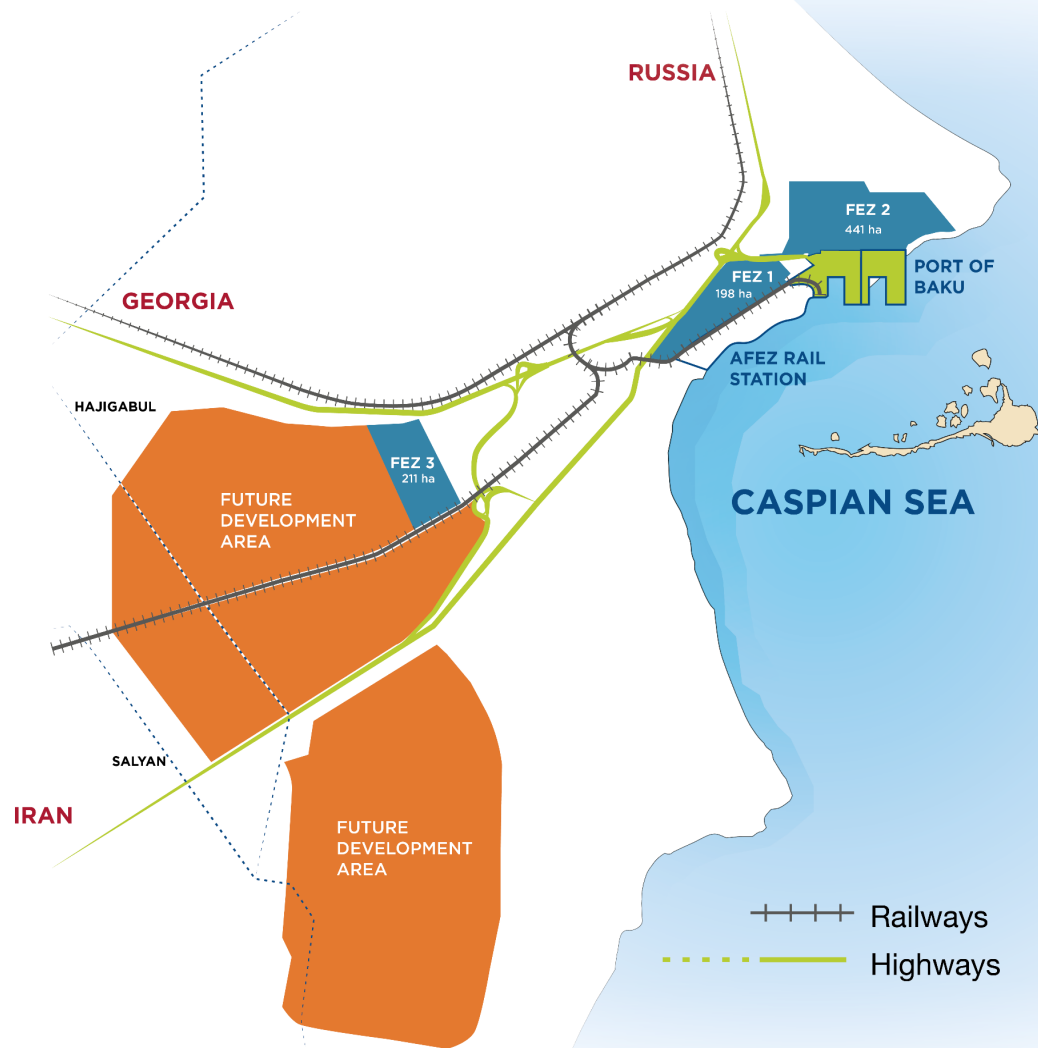
- No requirement for a local partner;
- No restrictions on currency transactions or profit repatriation;
- Investors' property is immune from any nationalization, expropriation measures or any other restrictions on private ownership;
- Full protection of intellectual property rights;
- Assistance in finding local skilled personal;
- On-site one-stop shop business appraisal, licensing, permitting, etc. (without any additional approvals or permits from central or local authorities);
- Independent regulatory body.



WHAT WILL AFEZ DO?

AFEZ will serve the needs of investors who will:

- **engage in high-value added and export-oriented manufacturing and internationally traded services, using innovative technologies and approaches to work in accordance with best international standards.**



CONSTRUCTION PROCESS



CONSTRUCTION PROCESS

Government “granted the Free Zone Authority an irrevocable, unfettered and perpetual right of use over the Free Zone Land and only Free Zone Authority is entitled to use, lease or otherwise dispose of the Free Zone Land”.



July 2022

Advance office
accommodations for
investors

One-stop-shop

Investor offices

Customs Plaza





CONCLUDING REMARKS

Finally, we have two goals and both of them are crucial:

- **First, we will create the best possible business environment for AFEZ clients, so that they have all they need to successfully establish and develop their businesses in AFEZ and at the same time we will support expansion and growth of businesses of our clients into the future.**



CONCLUDING REMARKS

Secondly, we want to demonstrate to the people of Azerbaijan what the transition to an internationally competitive and knowledge-based economy means in practice, to support and assist our entrepreneurs, our business entities to learn and practice a new business culture, new technologies, generate innovative enterprises to create real value for the economy and the people of Azerbaijan.



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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THANK YOU !

