

















# Trade and Competitiveness Monitoring Note



## Azerbaijan

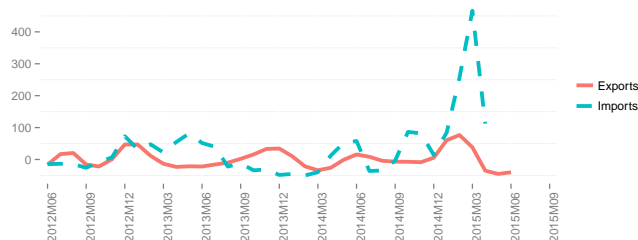
GDP (US\$ billions) (2015)	Population (millions) (2015)	Income per capita (current US\$) (2015)	Poverty rate (2005)	Unemployment rate (2015)	Ease of Doing Business Rank (2015)
57.1	9.6	5,923.2	0.0	6.0	63.0

### Macro Indicators

	Avg 2002-2011	2012	2013	2014	2015	2016	
GDP growth (annual %)	13.90	2.20	5.80	2.80	2.00	2.63	
Current account balance	7.22	21.49	16.49	13.76	2.89	5.49	
Cash surplus/deficit (% of GDP)	4.66	3.74	1.73	2.75	-3.38	-1.07	
Gross Fixed Investment (% GDP)	33.74	23.18	26.17	24.93	23.56	23.46	
Gross capital formation (% of GDP) [1]	31.46	21.95	24.71	25.76	—	—	
Foreign direct investment, net inflows (% of GDP) [2]	10.84	2.88	3.58	5.98	—	—	
Private capital flows, total (% of GDP) [2]	19.88	13.35	—	—	—	—	
Total Trade in Goods and Services (% of GDP, real terms)	105.01	126.93	126.36	121.93	116.85	112.16	
Trade balance (% GDP, real terms)	-0.15	12.72	7.62	5.15	6.48	7.28	
Exports, Goods and Services, annual percent change (real terms)	20.42	2.20	1.50	-2.50	-1.00	-0.61	
Imports, Goods and Services, annual percent change (real terms)	18.74	2.20	10.00	1.10	-3.60	-2.47	
Personal remittances, received (% of GDP) [1]	3.17	2.90	2.36	2.46	—	—	
General government gross debt [3]	13.75	11.60	13.75	15.89	20.60	22.66	
Total reserves in months of imports [1]	4.02	5.93	7.39	7.92	—	—	
Real Effective Exchange Rate (2010=100)	68.46	101.04	102.50	107.50	105.31	108.02	
Consumer Price Index, annual percent change	7.59	1.09	2.49	1.51	7.50	4.14	

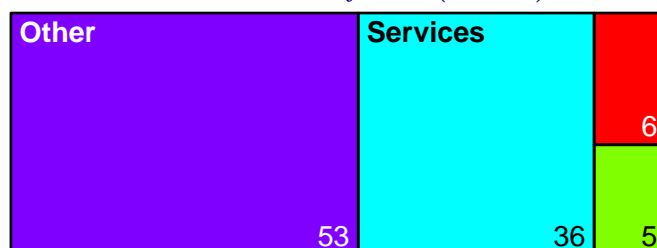
Sources: MFM note, [1] World Development Indicators (WDI), [2] UNCTADSTAT, [3] World Economic Outlook (WEO)

### Goods Export and Import volume growth, 2012-2015



Source: Development Prospects Group (DECPG)

### Gross Value Added by Economic Activity 2013 (% GDP)



Source: World Development Indicators (WDI)

### Top 5 Exports by % of Total Value, 2014

## Error in if (rec[3] < rec[4]) {: missing value where TRUE/FALSE needed

### Imports Categories by % of Total Value, 2014

Capital goods	Consumer goods	Intermediate goods	
34	32	28	6

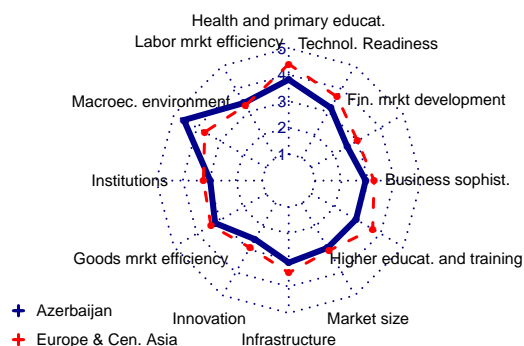
Source: World Integrated Trade Solution (WITS)

### Doing Business 2015 Ranks (among all countries)

	DB 2015 Rank	DB 2016 Rank	Change in Rank
Dealing with Construction Permits	138	114	24
Ease of Doing Business Rank	63	63	0
Enforcing Contracts	40	40	0
Getting Credit	105	109	-4
Getting Electricity	104	110	-6
Paying Taxes	33	34	-1
Protecting Minority Investors	54	36	18
Registering Property	21	22	-1
Resolving Insolvency	85	84	1
Starting a Business	11	7	4
Trading Across Borders	93	94	-1

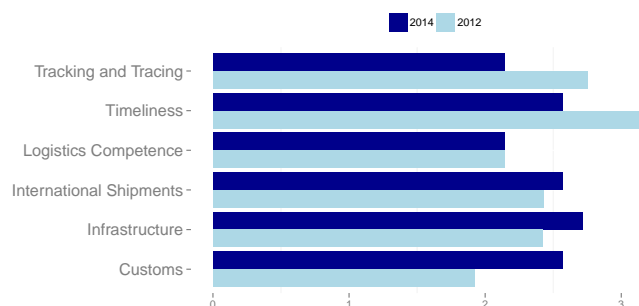
Source: Doing Business Report 2015

## WEF Competitiveness Indicators (Scale 1-5, 5=best)



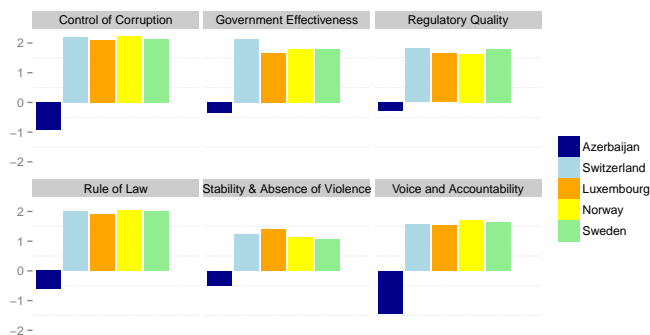
Source: WEF Global Competitiveness Report 2015

## Logistics Performance Index (Scale 1-5, 5=best)



Source: Logistics Performance Index (World Bank)

## World Governance indicators (Std. score, High=best)



Source: Worldwide Governance Indicators

## Trade Policy

	2011	2014
Applied Tariff (Incl. Prefers. and Trade-Weighted)	8.8	9.5
Dispersion (Standard Deviation)	27.4	25.6
Import duties collected (% , 2011-2013) [1]	—	1.9
MFN Tariff (Agriculture)	17.7	15.9
MFN Tariff (Non-Agriculture)	8.3	8.6
MFN Tariff (Simple Average)	9.6	9.6
Services sectors with GATS commitments [1]	—	—

Sources: WITS, [1] WTO Trade Profiles

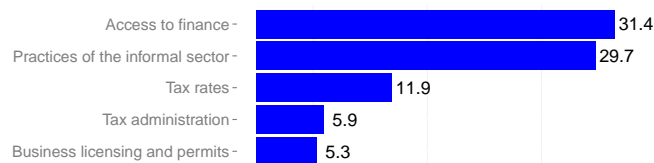
## Private Sector's Views

### Enterprise Survey 2013

	Europe and Central Asia	Azerbaijan	All Countries
Number of electrical outages in a typical month	2	0.60	6.30
Percent of firms with a bank loan/line of credit	—	15.80	34.30
Proportion of investment financed by banks (%)	—	21.90	14.30
Proportion of investment financed internally (%)	—	77.40	71.80
Senior management time spent dealing with the requirements of government regulation (%)	—	0.30	9.90

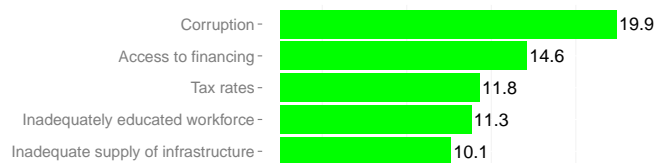
Source: Enterprise Survey 2013

### Top 5 constraints according to ES 2013 (% respondents)



Source: Enterprise Survey 2013

### Top 5 constraints according to WEF 2015 survey (% respondents among 88 executives)



Source: WEF Global Competitiveness Report 2015