

# Azerbaijan Renewable Energy Sector

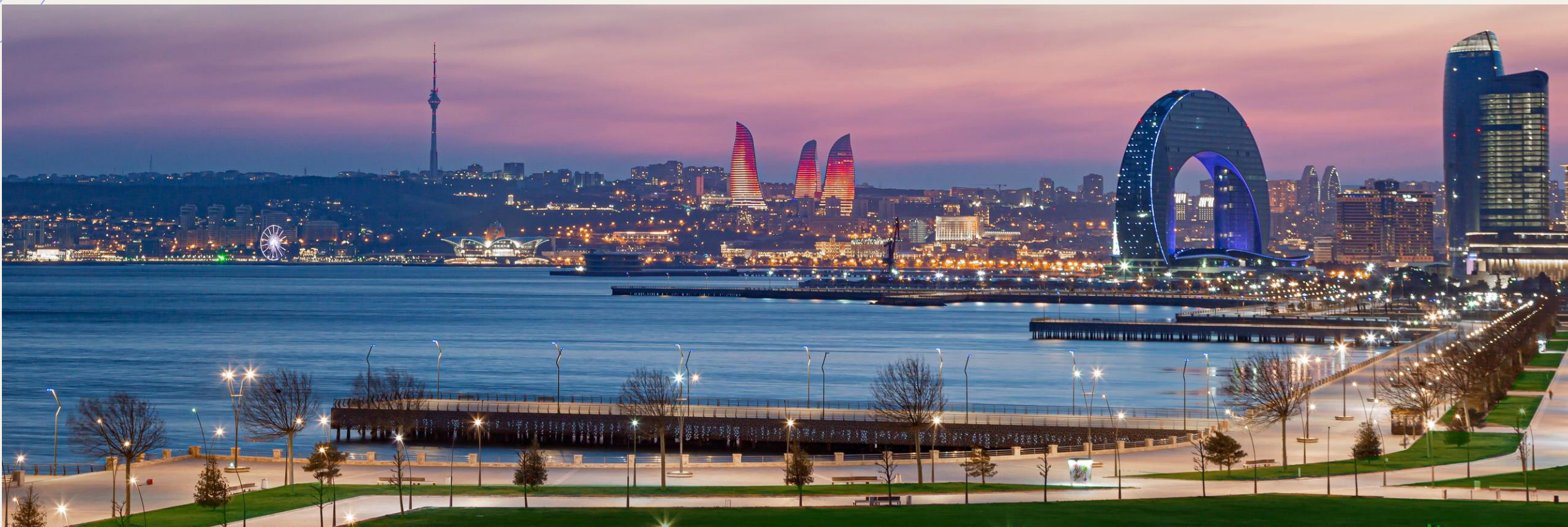


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# "Azerbaijan 2030: National Priorities for socio-economic development"

1. A steadily growing, competitive economy
2. A dynamic, inclusive society based on social justice
3. Areas of modern innovations and competitive human capital
4. The Great Return to the territories liberated from occupation
- 5. A clean environment and country of "green growth"**
  - high-quality ecological environment
  - green energy zone



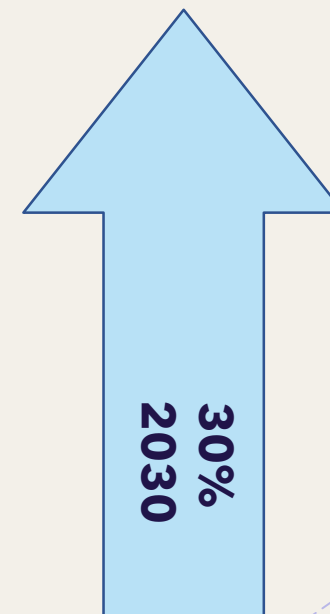
# Targets



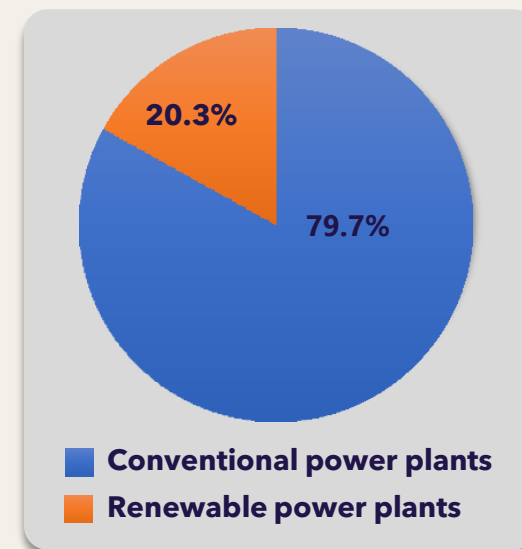
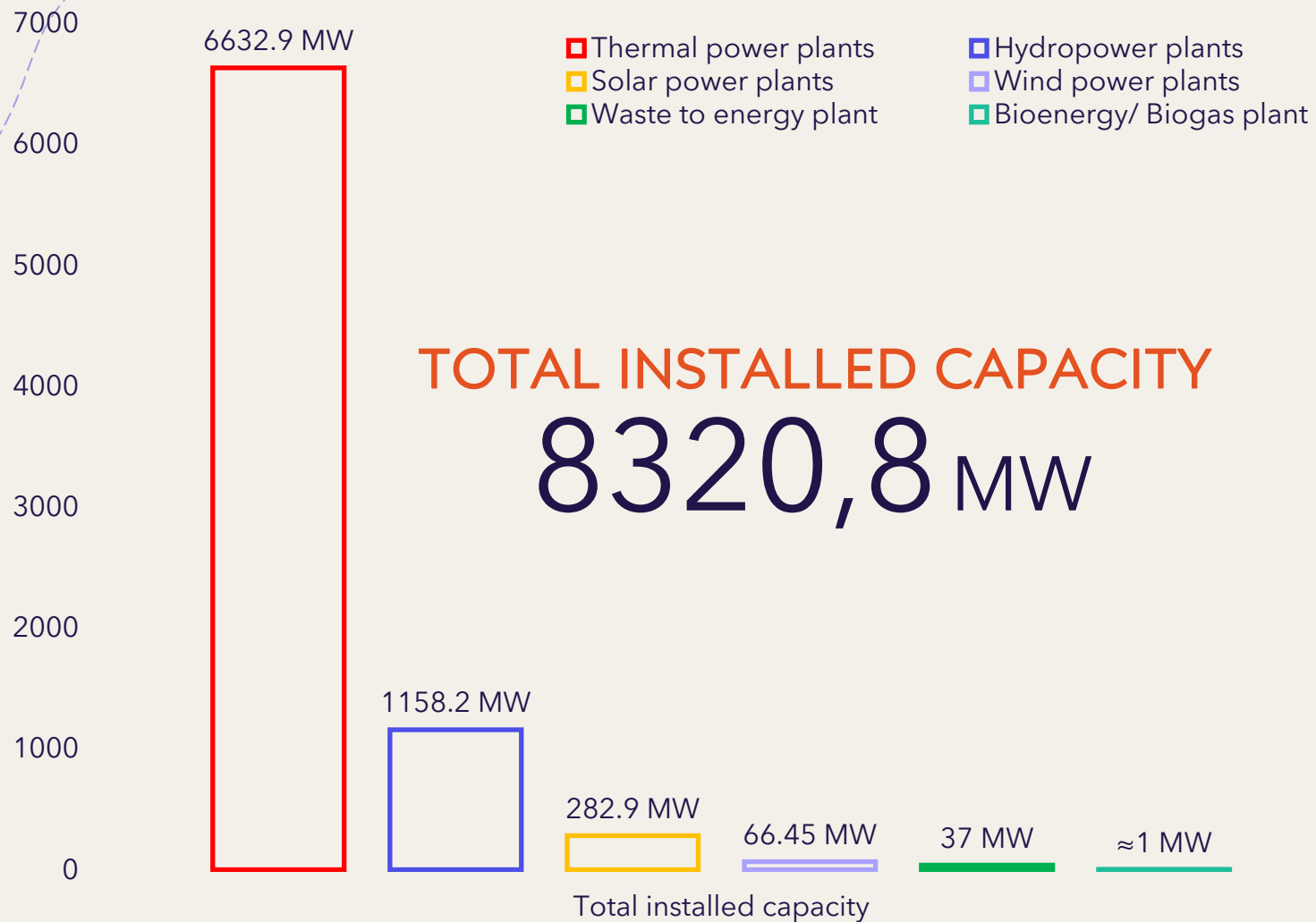
Reduction of greenhouse gas emissions –  
40% by 2050

**Net Zero Emission zone in the liberated lands**

Renewable Energy share in  
total installed capacity, %



# ELECTRICITY MARKET (installed capacity)





# Cooperation on RE projects



- "Implementation Agreement on evaluation, development and implementation of 1 GW onshore solar and 1 GW of onshore wind energy projects in the Republic of Azerbaijan"
- "Implementation Agreement on evaluation, development and implementation of offshore 2 GW integrated wind and green hydrogen projects"



A Memorandum of Understanding was signed between Azerbaijan's Energy Ministry and China Gezhouba Group Overseas Investment on the implementation of renewable energy projects with a capacity of 2 GW.



A Memorandum of Understanding was signed between Azerbaijan's Energy Ministry and Nobel Energy on the construction of a solar power plant in Nakhchivan AR and the export to the Republic of Turkey.



- "Implementation Agreement relating to an Offshore Wind Power Project with capacity up to 1.5 GW" between the Ministry of Energy and ACWA Power of the Kingdom of Saudi Arabia
- "Implementation Agreement relating to an Onshore Wind Project with capacity of up to 1 GW in the Republic of Azerbaijan" between the Ministry of Energy and ACWA Power of the Kingdom of Saudi Arabia



A Framework Agreement was signed between Ministry of Energy and Australia's Fortescue Future Industries (FFI) on joint cooperation on the study and development of renewable energy projects and the potential of "green hydrogen" in Azerbaijan.



A Memorandum of Understanding was signed between Azerbaijan's Energy Ministry and Baltech Elektrik Satış A.Ş. about renewable energy projects.

# Commissioning of the 230 MW Garadagh SPP



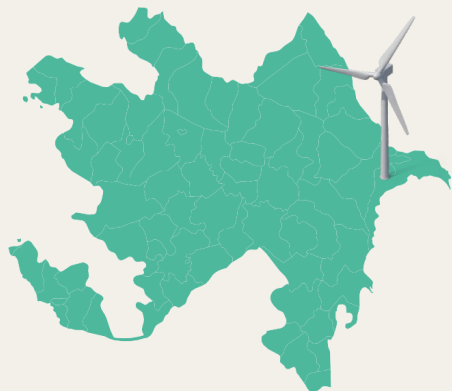
The Garadagh Solar PV Plant is the largest solar power plant in the Caspian region and the CIS.

- + On 26 October, the official inauguration of the 230 MW Garadagh Solar Power Plant took place.
- + The Garadagh Solar PV Plant cost - 262 million USD
- + Electricity annually - 500 million kilowatt-hours
- + Saving natural gas - 110 million cubic meters of
- + Carbon emissions - 200 thousand tons

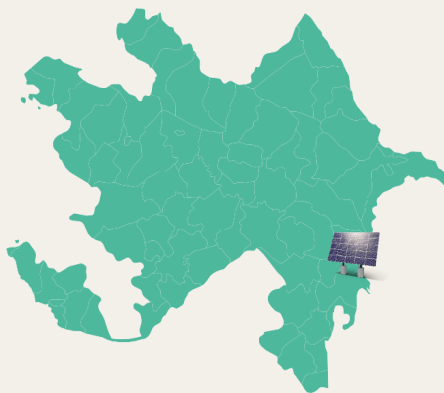


# Masdar signed investment agreements on green energy projects with a capacity of 1000 MW

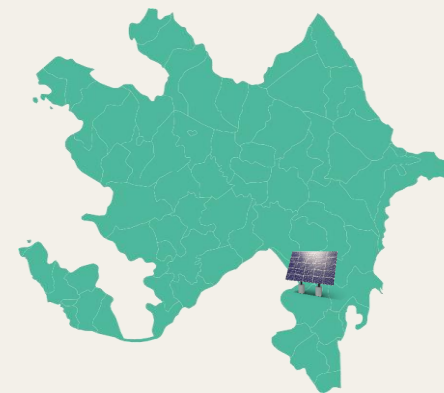
Absheron-Garadagh – 240 MW WPP



Bilasuvar – 445 MW SPP



Banka – 315 MW SPP

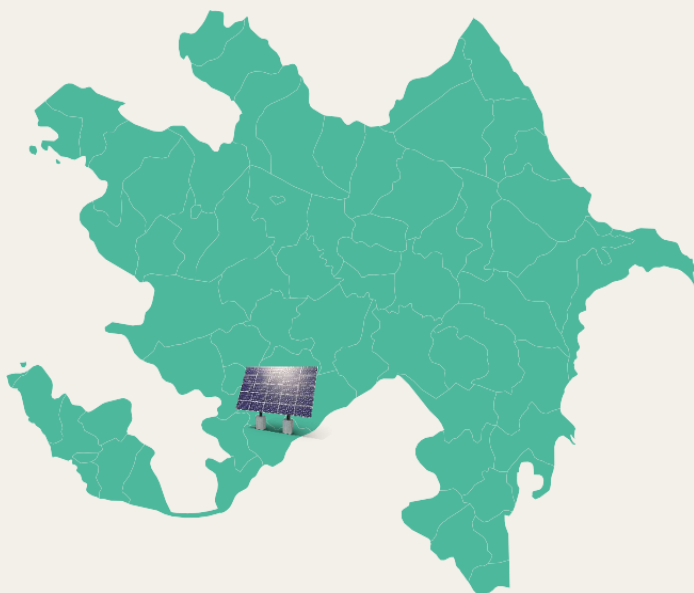


These agreements constitute the initial phase of the Executive Agreements entered into with Masdar in June 2022, focusing on the assessment, development, and execution of 4 GW Mega projects in renewable energy sources.

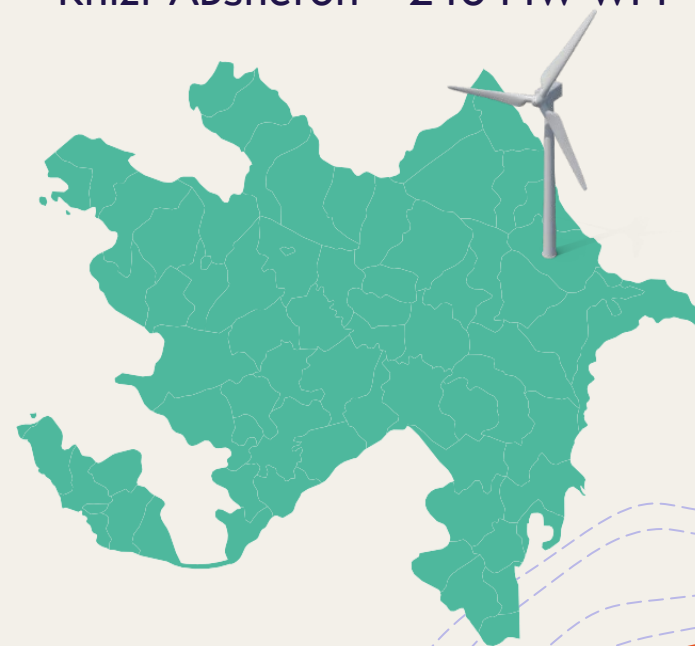
# Ongoing projects



Sunrise – 240 MW SPP



Khizi-Absheron – 240 MW WPP





# 2024 – “Green World Solidarity Year”



President Ilham Aliyev signed an order declaring 2024 the “Green World Solidarity Year”.

# Green Energy Zone in the liberated territories

## Scheduled projects



# Nakhchivan Autonomous Republic have been declared green energy zone.



The 3rd Azerbaijan-Türkiye Energy Forum and the first "Nakhchivan-Green Energy Zone" international conference will be held in Nakhchivan from September 28 through September 29, 2023.

"Nobel Energy Management", "TotalEnergies" and "A-Z Czech Engineering" companies are cooperating with the implementation of renewable energy projects in Nakhchivan.



**"Nobel Energy Management"**  
400 MW PV



**"A-Z Czech Engineering" MMC**  
500 MW PV



**"Total Energies"**  
250 MW PV



**TotalEnergies**



# Regulatory and Legal Framework

- Law of the Republic of Azerbaijan on the usage of renewable energy sources in the production of electricity (approved 31.05.2021)
- Legislation at the stage of approval in Cabinet of Ministers:
  - ✓ The auctions rules
  - ✓ Rules on supporting mechanisms for active consumers
  - ✓ Renewable Certificates Applications
  - ✓ Information System of Renewable Energy Sources

# Guarantees Proposed to the Investors

## Investment Promotion Certificate (7 years)

Protection of the investment on the basis of the following tax rebates:

- 50% reduction of income tax for individual entrepreneurs;
- 50% reduction of profit tax for legal persons;
- no VAT and no customs duties on imports of machinery, technological equipment, and installations;
- no property tax;
- no land tax.



**AREN**

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# Thank You

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