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ECONOMIC RELATIONS BETWEEN AZERBAIJAN AND TURKEY IN THE ECONOMIC SPHERE

Abstract

Azerbaijani-Turkish relations have developed quite close ties and relations in various trade and economic spheres. One of the important areas of diversification of relations in the bilateral economic sphere. Although bilateral financial relations between the two countries have not reached the desired level, such as the amount of mutual opportunities and trade income, they have changed significantly since the first long years of independence. The potential of Turkish companies in Azerbaijan's non-oil sector, as well as Azerbaijan's investments in Turkey's energy sector, are often highlighted by officials and experts. The Agreement on Strategic Assistance and Mutual Support signed between the two countries improves relations in the financial sector, as well as in other areas. This study aims to analyze the legal basis of financial relations, the functioning of important structures in the context of financial relations, information on bilateral industry, mutual investment and similar issues, as well as the subject of economic relations between Azerbaijan and Turkey in the economic sphere.

Key words: industry, oil company, raw materials, import, export, financial resources.

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Introduction

Turkey tops the set of international enterprises operating in Azerbaijan, followed by Iran, the us, Indonesia, Russia, Britain, Swiss, and Israel. Azerbaijan-Turkey trade and monetary cooperation is creating rapidly. Azerbaijan is a leader in the overall aspect of bilateral relationships. The Turkish-Azerbaijani Company Council was set up in 1991 to establish trade and monetary relations between your two countries. All through the study excursions, business contacts were established and the key parts of assistance were identified. Turkey imports cotton, made of wool, cattle, small-horned cows, polyethylene, cotton wool, blister copper, light weight aluminum alloys, phosphate

manures, alcohol and a number of other products. Azerbaijan rubberized pipes, car auto tires, galaxy products, knitwear products, fire-resistant stones, glassware, iron-steel single profiles, gas heaters, refrigeration equipment, household devices, power units, electric batteries, electrical equipment, radio stations and television set equipment, cars, gas metres are imported. Azerbaijan-Turkey relations are creating in monetary assistance and other locations.

The particular pace of economical development and the particular expansion of shared trade between Azerbaijan as well since the Republic associated with Turkey is boosting

Azerbaijan and Turkey share a various geopolitical space. Each countries are very important to get the East-West plus North-South routes. Within October 1991, Turkey became the initial state to acknowledge Azerbaijan's independence (as in 1918). Diplomatic relations between your 2 countries were set up in January 1992. It defends the own interests within Eurasia as properly as the passions of the Traditional western world in common. Turkey's business neighborhood competes with China and taiwan in the lighting industry market upon a daily time frame as well since maintains its top position in this particular field. The Republic of Azerbaijan can be one of the particular key trade plus monetary partners associated with Azerbaijan. Turkey can be an industrial-agrarian nation with a moderate level of capitalist development. It provides the most created service infrastructure within the area plus provides construction components and electricity. Azerbaijan has expanded the relations with the particular EU, the Usa States, and nearby countries, including business, economic, and economic activities, in assistance with Turkey. The business has a solid reputation as the supplier of clothes, food, appliances to get the home, electronic devices, and machinery. The particular two countries' financial systems complement each various other, and their higher monetary growth prices and geographical closeness help with the enlargement of mutual business. Azerbaijan is each an professional plus an agricultural nation. Azerbaijan was a single of the couple of union republics within the Soviet Marriage to be self-sufficient in energy plus basic foodstuffs all through the Cold Battle. It had already been not the failure of the Soviet Union. Economic relationships with all the former Soviet republics were not really only

severed, yet also political lack of stability. Economic growth within Azerbaijan was refurbished only in the particular second half associated with the 1990s. In between 2016 and 2021, the average twelve-monthly GDP growth price was 24%. It offers become the major indicator not just in the CIS but also internationally. In words associated with GDP per capita it happened within 1999, Azerbaijan positioned 12th in the particular CIS this season. It has today risen to 4th place. 2020 Within 2011, this number was more than within Georgia. second. one times, and Armenia, 2. three instances [1, l. 1]. The major factors of monetary growth in Azerbaijan are market changes for example agrarian change and professional privatization, such as the particular stabilization of cash circulation and the particular liberalization of international monetary regimes that will stimulate the influx of foreign immediate investment. 2021 Azerbaijan's strategic foreign currency supplies amounted to \$53. 5 billion within 2011. In Azerbaijan, large-scale construction begins with schools, street modernization, increasing the particular power capacity associated with cities and pay outs, plus a considerable boost in the intro of information technologies and telecommunications.

Azerbaijan's foreign trade proceeds

Lately, we have seen a shift towards investment. The financial policy and modernization of recent Azerbaijan are inextricably connected with the field info and communication technologies (ICT), the dynamics of which have raised the country to a top position in the CIS over the past 3 years. [2, p. 4] In January 2021, Azerbaijan's foreign industry turnover amounted to 24. 471 mil US dollars. In accordance to the Condition Customs Committee, 1796 products worth \$23850. 6 million were exported from the countries. The positive balance of transfer and

export procedures amounted to 12144. 8 million ALL OF US dollars. Residents and non-residents of Azerbaijan performed trade procedures with 188 nations in January–July 2021. In 2021, 39, 516 individuals and legal entities, including 32, 226 legal entities (224 countries) were involved in foreign trade procedures. sector and seven, 066 private field participants) and seven, 290 individuals. The particular share of the public sector in import procedures was \$1, 796, 111. 23 thousand, the private sector \$7, 923, 391. sixteen thousand, and individuals \$257, 744. twenty-eight thousand. [3, p. 347]. Azerbaijan's main international trading partners are Russian federation, Turkey, Iran, the United Arab Emirates, Germany, Turkmenistan, Ukraine, Kazakhstan, Georgia, and the United Says. Britain, Switzerland, and Israel are arriving. Azerbaijan-Turkey

trade and financial cooperation is developing rapidly. Azerbaijan is an head in the overall facet of bilateral relationships. Azerbaijan has founded partnerships with European investors to move oil and gasoline to global marketplaces, which is important for the state's financial development. The particular Turkish-Azerbaijani Business Authorities was established in 1991 to set up trade and monetary relations between the two countries. Imports aluminum alloys, phosphate fertilizers, alcohol, and a variety of other products, including power blocks, electric batteries, electrical equipment, radio stations and television set equipment, cars, and fuel meters. Furniture, food, and other items are imported from Turkey. According to research, the information on Turkish-Azerbaijani international trade turnover for 2015-2020 are shown in the desk below:

Table 1.

Source: Compiled by the author.

Years	Foreign trade	İmport	Quantity	Stabilit
2015	2 092 207	357 093	2 449 300	1 735 114
2016	1 387 886	328 044	1 715 930	1 059 842
2017	1476 522	384 146	1 860 668	1 092 376
2018	1701 927	408 428	2 110 355	1 293 499
2019	1788 397	411 022	2 199 419	1 377 375
2020	2 086 640	410 706	2 497 346	1 675 934

The particular Turkish state provides furnished more compared to \$170 million within assistance to Azerbaijan in building the particular Azerbaijani army. Azerbaijan and Turkey generally cooperate actively within neuro-scientific neuroscientific army development. Although this has contributions agreed upon on May fourteen, 2002, June seven, 2005, and Dec 22, 2021, many importantly, it had been the Shusha Announcement of June fifteen, 2021. As the result of specific military industry, mixed production, and army health most essential

area of assistance between the 2 countries is purchase cooperation. Turkey's overall investment in the particular Azerbaijani economy amounted to \$19. five billion. The major areas of purchase are textiles, foods, and agriculture. Providers and tourism, as well as woodworking, electronics, and structure, Petkim also spent \$10 billion inside the company's petrochemical complex. [5]: Azerbaijan has 3 Turkish banks within the money marketplace: Yapikredi Azerbaijan, AzerTurk Bank, and ASB. Oil and organic gas production stay the main areas associated

with interstate economical assistance. but additionally advantages the global power map, the reviews said.

Azerbaijan plus Turkey have the major trade relationship

The International Oil Consortium (IOC) (AIOC) produces natural fuel in the Shah Deniz field through the Caspian Ocean. It intends in order to hook up in the particular future. The Baku-Tbilisi-Erzurum gas pipeline links Baku, Georgia, plus Turkey. Kurdashi plus Araz-Alov-Sharq are fuel sources. The European oil company PETOIL and the Azerbaijani oil company AZOIL established a shared venture in 1992. On a parity basis, SOCAR created two oil areas on a parity basis. In 2017, a was agreed upon in Baku upon the advancement the particular Azeri-Chirag-Guneshli block associated with fields until 2050. 383 million loads of our essential oil were exported along with the Baku-Tbilisi-Ceyhan (BTC) pipeline. In the particular 1990s, Turkish-Azerbaijani structure cooperation was European construction and getting companies have finished construction projects intended for water treatment plant life and water provide systems (especially within Baku), gasoline channels and other amenities, hospitals, shopping plus business centers, resorts as well as other facilities, home structures, Turkish businesses and enterprises, plus construction in Azerbaijan. 90% of this is implemented. Till the first two months of 2021, Turkish construction businesses, members of the particular Turkish Contractors Marriage (TMB), have obtained contracts for your structure of one service. Our companies which usually are members associated with the Turkish Companies Union (TMB) are usually implementing projects within Azerbaijan:

- ARSAN Treatment and Construction A.Ş.
- CENGİZ Construction Industry and Trade A.Ş.
- EMT ERIMTAN Consultancy Taahhüt Ticaret A.Ş.
- ENKA İnşaat ve Sanayi A.Ş.
- GAMA Industry Facilities Manufacturing and Assembly Inc.
- KAYI Construction Industry and Trade Inc.
- COLIN Construction Tourism Industry and Trade A.Ş.
- MAKYOL Construction Industry Tourism and Trade A.Ş.
- MESA Group of Companies
- ÖZTAŞ Construction, Construction Materials Trade A.Ş.
- STEEL Road Construction Industry and Trade A.Ş.
- TEKFEN Construction and Installation A.Ş.
- TEPE Construction Industry Inc.
- TML Construction Industry Trade and Tourism Inc.
- YAŞAR ÖZKAN Engineering and Contracting Inc.
- ZAFER Contracting Construction and Trade Inc.

Turkey country companies can furthermore use non-TMB building licenses. At the particular finish of 2021, the total connected with contracts came to the conclusion by Turkish building companies in Azerbaijan was estimated in \$6. 5 billion dollars [6, g. 10]. The building of large buying malls in Pokok, like the Migros grocery store, has helped increase Turkey's exports in order to Azerbaijan. They screen a wide variety of Turkish-made customer goods, including ready-made clothes, shoes plus accessories. Turkish items are popular. This has a great reputation in Azerbaijan. Moreover,

compared in order to local products, these people did not fulfill for a whilst. The North Caucasus Railway continues in order to be closed because of to competition through Russia along with other CIS countries. Azerbaijan-Turkey relationships are developing within financial cooperation plus other areas. Regarding 2.7 mil Azerbaijani tourists check out Turkey every 12 months, causing \$ one billion to the particular host country. Regrettably, the number associated with Turkish tourists going to Azerbaijan so much is relatively little in 2020. one hundred sixty, 504 people. The particular construction of summer time and winter entertainment centers in Gabala will enhance the scenario. Built with European partners, Gusar draws in Turkish tourists. In present, 344 Azerbaijani companies operate within various sectors through the Turkish economic climate. SOCAR, which programs to get billions associated with dollars within the particular Turkish economy, will be leading a brand new wave of Azerbaijani investments in the particular Turkish economy within the energy, business, and construction industries. It has gathered several billion bucks in assets within large Turkish companies like Petkim plus Tekfen. SOCAR furthermore intends to develop. Complexes with essential oil and petrochemical companions. SOCAR along with other Azerbaijani companies have spent in the economic climate as a entire. Turkey received dollar 4.5 billion dollars. The peak associated with Azerbaijan-Turkey bilateral financial relations continues to be forward. Azerbaijan is an essential market for European companies since this has great advancement potential. In common, Azerbaijan is presently Turkey's main investing partner. These, within turn, occupies 1. Azerbaijan has the leading position within trade with international

countries. This scenario appears to can be found. Due to numerous factors, it will be extremely strong. 1st, Azerbaijan and Chicken have substantial commercial, scientific, raw, specialized, and money. Second of all, the complementary character of the Azerbaijani and Turkish financial systems should be mentioned. Third, neighboring nations are linked in order to one another by some other convenient modes associated with transport. Fourth, each countries have acquired substantial positive encounter in trade plus financial relations plus alliances over the particular past few years. Finally, the government authorities and business sectors of Azerbaijan plus Turkey are positively working to increase business partnerships upon a long-term plus mutually beneficial foundation.. Now we possess all established this kind of strong ties that will within the arriving decades we should get steps in compliance with these relationships, this brotherhood, plus continue to become closely linked. Simply no force can tremble the brotherhood associated with Turkish-Azerbaijani friendship. container appears to can be found. It is really strong due in order to various factors. 1st, Azerbaijan and Chicken have substantial commercial, scientific, raw, specialized, and financial sources. Secondly, the supporting nature from the particular Azerbaijani and European economies should become noted. Third, nearby countries are linked to one another simply by other convenient settings of transport. 4th, both countries possess gained substantial good experience in industry and financial relationships and alliances more than the past couple of decades.

The result

SOCAR, which programs to get billions associated with dollars within the particular

Turkish economy, will be leading a brand new wave of Azerbaijani investments in the particular Turkish economy within the energy, business, and construction industries. It has gathered several billion bucks in assets within large Turkish companies like Petkim plus Tekfen. SOCAR furthermore intends to develop. Complexes with essential oil and petrochemical companions. SOCAR along with other Azerbaijani companies have spent in the economic climate as a entire. The peak associated with Azerbaijan-Turkey bilateral financial relations continues to be forward. Azerbaijan is an essential market for European companies since this has great advancement potential. is the trading partner. The particular latter, consequently, takes up one. Azerbaijan offers a leading placement in trade along with foreign countries. This case tin appears in order to exist. It will be extremely strong because of to various aspects. First, Azerbaijan plus Turkey have substantial industrial, scientific, natural, technical and cash. Secondly, the supporting nature of the particular Azerbaijani and European economies should become noted. Third, nearby countries are linked to one another simply by other convenient settings

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AZƏRBAYCAN VƏ TÜRKİYƏ ARASINDA TİCARƏTİN İQTİSADİ SFERASINDAKI MÜNASİBƏTLƏRİ

Xülasə

Azərbaycan-Türkiyə münasibətləri son dərəcə yaxınlıq əlaqələri və müxtəlif ticarət, iqtisadi sferadakı münasibətləri kifayət qədər dərin inkişaf etmişdir. İkitərəfli iqtisadi sferadakı əlaqələrin çoxşaxəliliyinin mühüm istiqamətlərindən biri iki ölkə arasında qarşılıqlı imkanların və ticarət gəlirlərinin həcmi ikitərəfli maliyyə münasibətləri sahəsində arzuolunan səviyyəyə çatmasa da, müstəqilliyin ilk uzun illəri ilə müqayisədə ciddi dəyişikliklər var. Türk şirkətlərinin Azərbaycanın qeyri-neft sektorundakı imkanları, eləcə də Azərbaycanın Türkiyənin enerji sektoruna yatırdığı sərmayələr xüsusilə

səlahiyyətli və ekspertlər tərəfindən tez-tez vurğulanır. İki ölkə arasında imzalanmış Strateji Yardım və Qarşılıqlı Dəstək müqaviləsi digər sahələrdə olduğu kimi, maliyyə sahəsində də münasibətləri özünəməxsus dərəcədə təkmilləşdirir. Bu araşdırmada maliyyə münasibətlərinin hüquqi əsasları, maliyyə münasibətləri şəraitində mühüm strukturların işləməsi, ikitərəfli sənaye ilə bağlı məlumatlar, qarşılıqlı sərmayələr və bu kimi məsələlər təhlil edilməyə çalışılmış və araşdırma mövzusu olan Azərbaycan və Türkiyə arasında ticarətin iqtisadi sferasındakı münasibətləri təhlil olunmuş şəkildə qeyd edilmişdir.

Açar sözlər: sənaye, neft şirkəti, xammal, idxal, ixrac, maliyyə resursları

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Резюме

Промышленно-экономическая помощь между Азербайджаном и Турцией

Азербайджано-турецкие отношения сложились достаточно тесными связями и отношениями в различных торгово-экономических сферах. Одно из важных направлений диверсификации отношений в двусторонней экономической сфере. Хотя двусторонние финансовые отношения между двумя странами не достигли желаемого уровня, такого как объем взаимных возможностей и торговых доходов, в них произошли значительные изменения по сравнению с первыми долгими годами независимости. Потенциал турецких компаний в ненефтяном секторе Азербайджана, а также инвестиции Азербайджана в энергетический сектор Турции часто подчеркиваются официальными лицами и экспертами. Подписанное между двумя странами Соглашение о стратегической помощи и взаимной поддержке улучшает отношения в финансовой сфере, а также в других областях. Это исследование направлено на анализ правовой основы финансовых отношений, функционирования важных структур в контексте финансовых отношений, информации о двусторонней промышленности, взаимных инвестициях и подобных вопросах, а также предмета экономических отношений между Азербайджаном и Турцией в экономической сфере.

Ключевые слова: промышленность, нефтяная компания, сырье, импорт, экспорт, финансовые ресурсы.

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