



Republic of Azerbaijan
Center for Analysis and Communication of Economic Reforms

TRANSPORT REVIEW

Elnur Aliyev
Operations Manager

September 2024

Transportation issues hold even greater importance. Today, there is an unprecedented need for the Trans-Caspian Transport Corridor. I have strong confidence in the promising future of the Middle Corridor project. Here in Azerbaijan, we have practically built all the necessary infrastructure, including a modern, new seaport. By the way, we are currently working on expanding the seaport because the current capacity of 100,000 TEU and 15 million tons of overall cargo handling will not be sufficient. We already understand this. Our goal is to increase this capacity to 25 million tons and 500,000 or even one million TEU.

From the speech of the President of the Republic of Azerbaijan, His Excellency Mr. Ilham Aliyev, delivered at the international forum “COP29 and Green Vision for Azerbaijan” held at ADA University on April 24, 2024.

On the territory of Azerbaijan, both the railway and highway segments of the North-South International Transport Corridor have been fully implemented and are operating successfully. Currently, we are engaged in modernizing the railway segment of this corridor to enhance its capacity. We are talking about the potential to transport 15 million tons, or even up to 30 million tons of cargo annually, and this is entirely realistic.

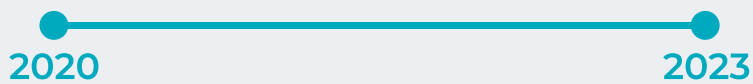
From the joint press statements by the President of the Republic of Azerbaijan, Ilham Aliyev, and the President of the Russian Federation, Vladimir Putin, delivered on August 19, 2024.

TABLE OF CONTENTS

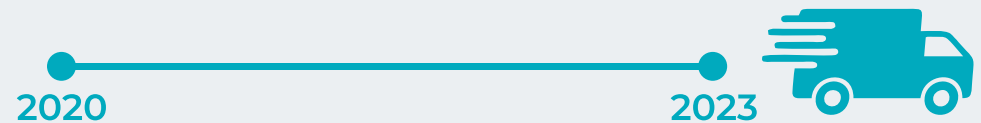
| | |
|---|----|
| 1. Analysis of Key Macroeconomic Indicators in the Transportation Sector..... | 3 |
| 2. Statistical Overview of the Performance Dynamics in the Transportation Sector..... | 18 |
| 3. Information on Costs and Revenues in the Transportation Sector..... | 38 |
| 4. Analysis of the Current State of Azerbaijan's Transportation Fleet..... | 48 |
| 5. Information on the Operations of International Transport Corridors..... | 55 |

1 Analysis of Key Macroeconomic Indicators in the Transportation Sector

Between **2020** and **2023**, the added value in the transportation sector increased by **2,462 million manat**, or **47.6%**, while overall profit rose by **2,150 million manat**, or **56.4%**. A similar dynamic is also observed in other macroeconomic indicators.



During the period under review, net profit in the transportation sector increased by **2,123 million manat**, or **83.8%**. The number of salaried employees rose by **10.5 thousand people**, or **7.4%**. The average monthly nominal salary increased by **392 manat**, or **44.2%**. Fixed assets grew by **3,562 million manat**, or **22.7%**, while investments in fixed capital surged by **3,325 million manat**, or **159.0%**.



As the transportation sector has developed, an increase in the number of employees in the sector has been observed. Specifically, the total number of employees in the sector, including both individuals and legal entities, increased by **10,493** people between **2020** and **2023**, primarily driven by individual entrepreneurs (physical persons). Furthermore, in the period from **2020** to **2023**, the salary increases across different types of transportation were as follows: railway – **657** manat or **121.0%**, maritime transportation – **675** manat or **43.0%**, air transport – **653** manat or **55.2%**, pipeline transportation – **820** manat or **72.9%**, road transportation – **154** manat or **22.2%**, and metro – **419** manat or **51.6%**.

Key Macroeconomic Indicators in Transportation

Added Value (at current prices), million manat



Key Macroeconomic Indicators in Transportation

Total Profit (at current prices), million manat



Key Macroeconomic Indicators in Transportation

Net Profit (at current prices), million manat



Key Macroeconomic Indicators in Transportation

Average Annual Number of Salaried Employees, thousand people



Key Macroeconomic Indicators in Transportation

Average Monthly Nominal Salary, manat



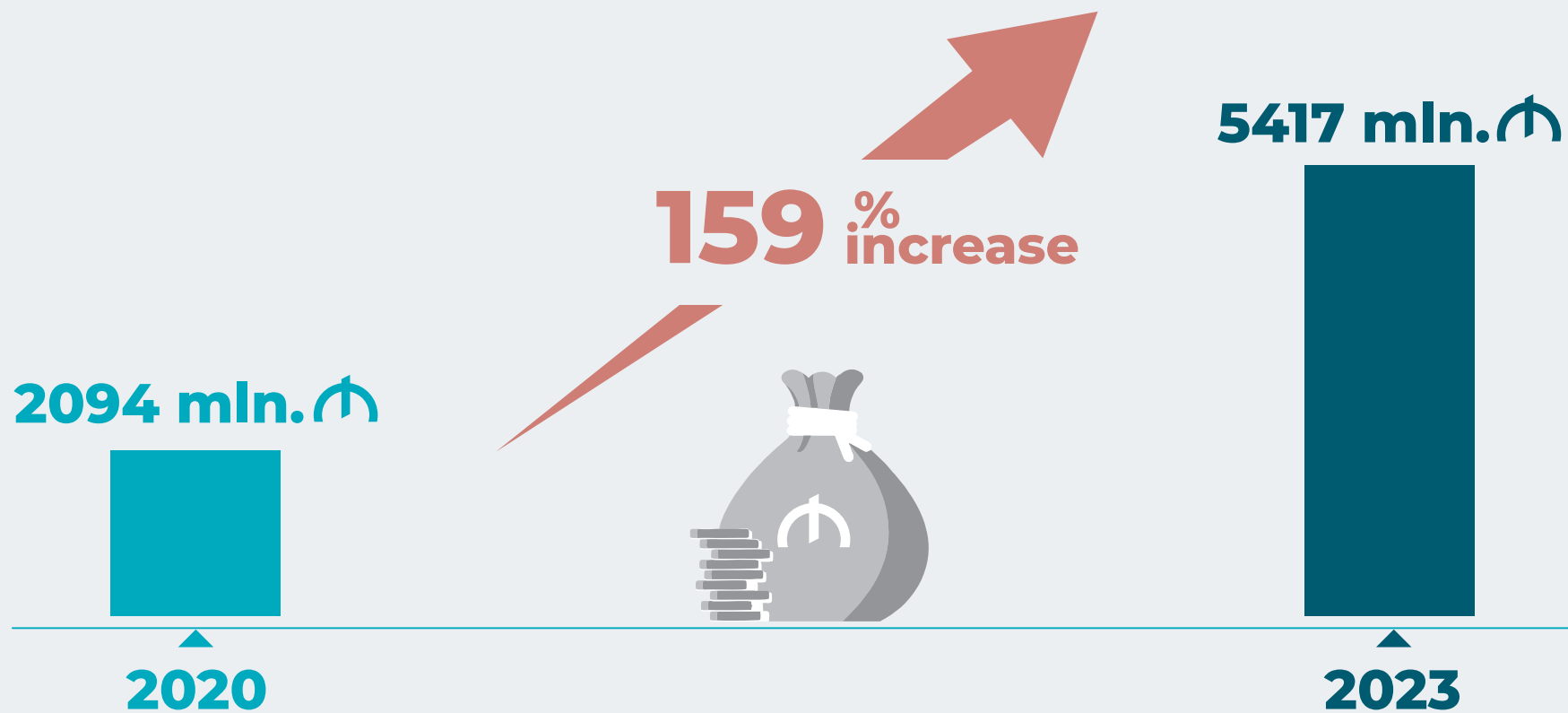
Key Macroeconomic Indicators in Transportation

Fixed Assets (at the end of the year), million manat



Key Macroeconomic Indicators in Transportation

Investments in Fixed Capital, million manat



Mənbə: "Azərbaycanda nəqliyyat" statistik məcmuə, Bakı, 2024, səh.9.

Average Annual Number of Employees in the Transportation Sector, people

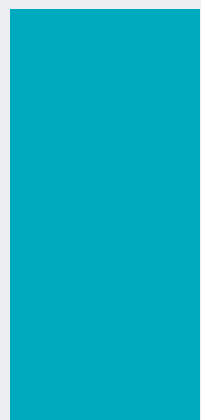
Total



Average Annual Number of Employees in the Transportation Sector, people

Transportation Enterprises (Legal Entities)

76586



2020

882 people decrease

75704

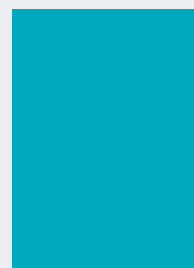


2023



Individual Entrepreneurs – Physical Persons

64561



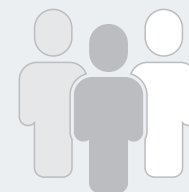
2020

11375 people increase

75936

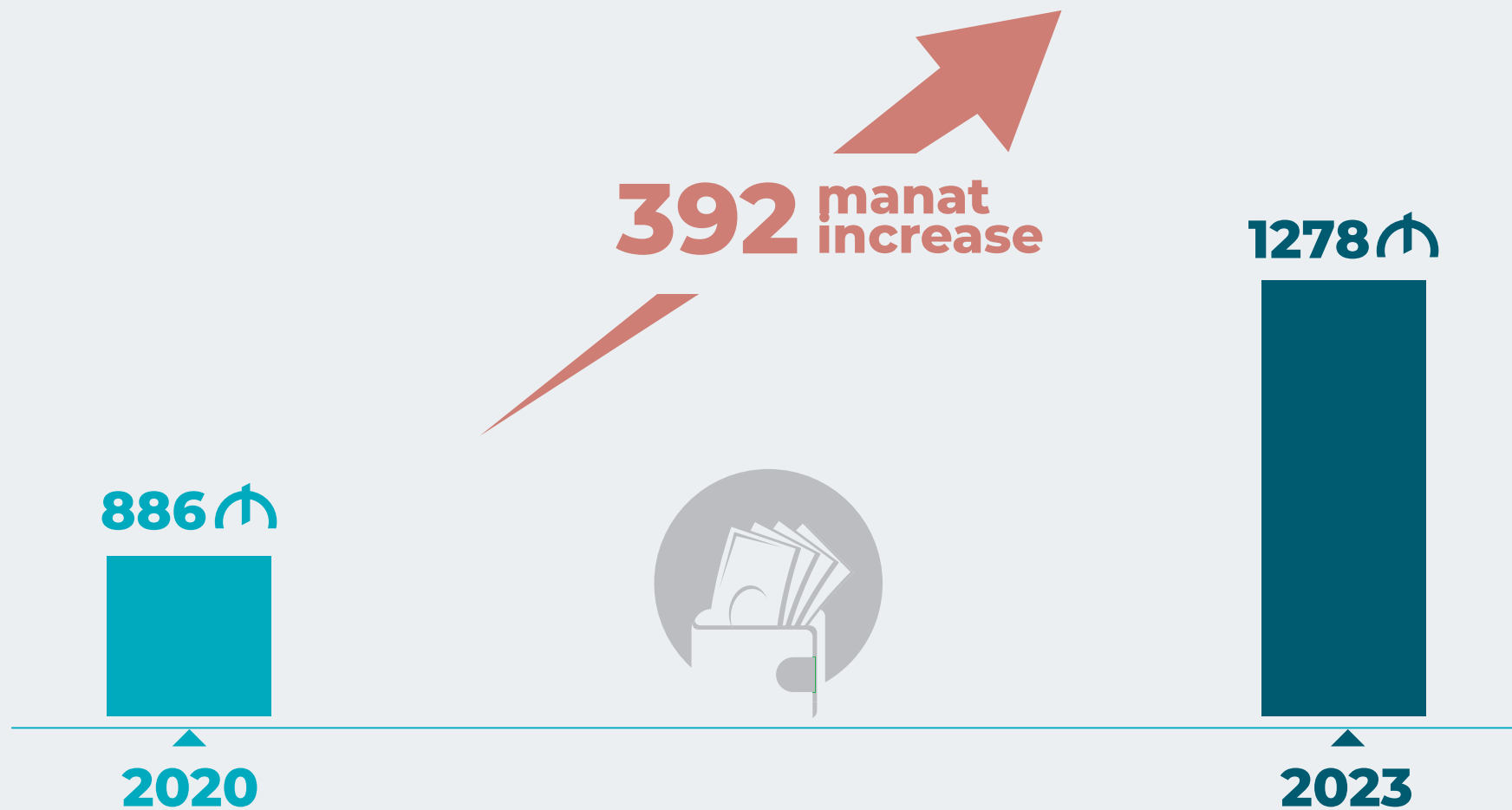


2023



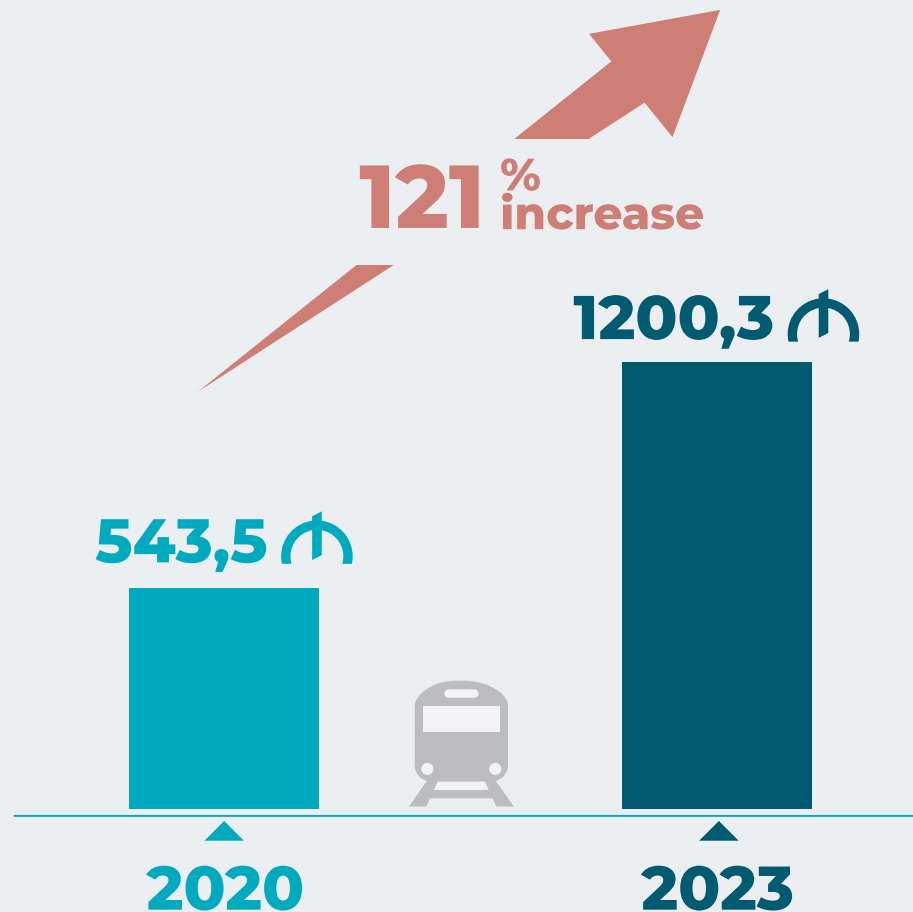
Nominal Salary of Employees in Transportation Enterprises, manat

Total

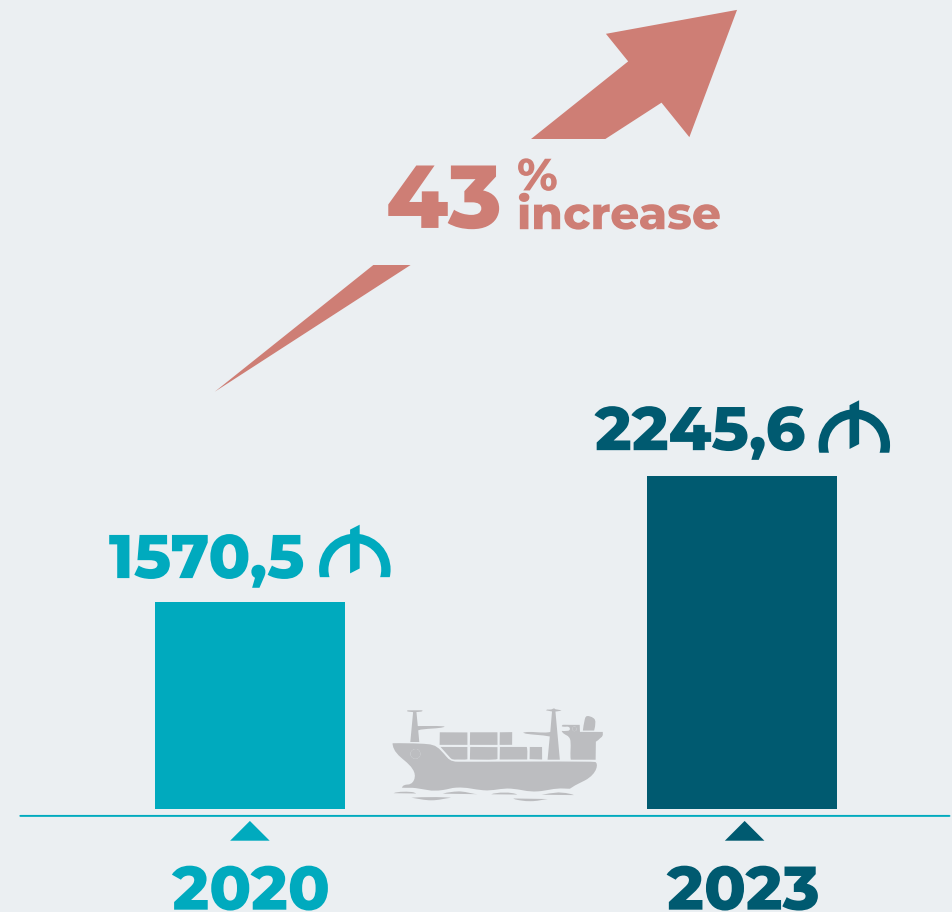


Nominal Salary of Employees in Transportation Enterprises, manat

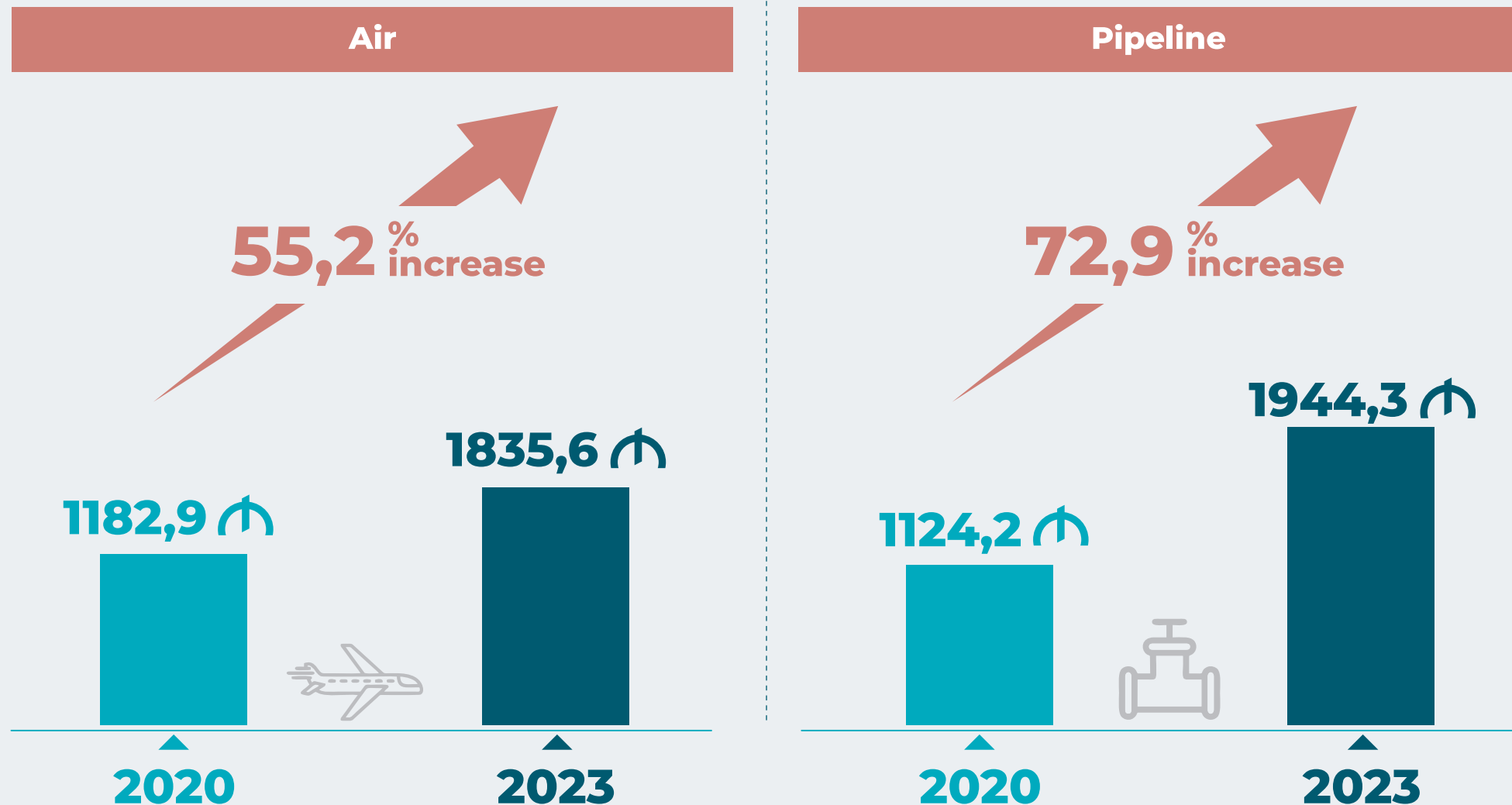
Railway



Maritime



Nominal Salary of Employees in Transportation Enterprises, manat



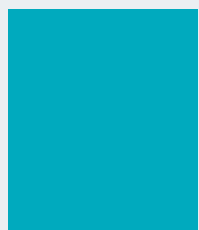
Mənbə: "Azərbaycanda nəqliyyat" statistik məcmuə, Bakı, 2024, səh.23.

Nominal Salary of Employees in Transportation Enterprises, manat

Automobile

22,2% increase

694,8 ₸



2020



849 ₸

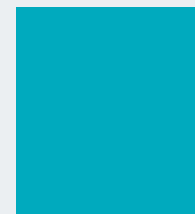


2023

Metro

51,6% increase

812,1 ₸



2020



1230,9 ₸



2023

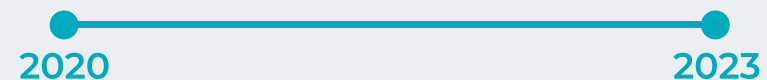
2

Statistical Overview of the Performance Dynamics in the Transportation Sector

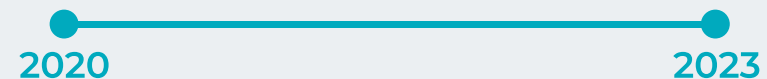
It is clear that the dynamics achieved in the macroeconomic indicators of the transportation sector are based on transportation activities. Specifically, the results achieved in the transportation of goods and passengers, which is the primary focus of the transportation sector, have contributed to the increase in macroeconomic indicators.

Between **2020** and **2023**, freight transportation in the sector increased by **41.3 million tons**, or **21.9%**, with the following changes in different types of transportation: railway – **3.6 million tons**, or **25.9%**; maritime transportation – **3.0 million tons**, or **50.6%**; pipeline transportation – **12.0 million tons**, or **21.4%**; and road transportation – **22.7 million tons**, or **20.3%**. During this period, air freight transportation decreased by **101 thousand tons**, or **22.0%**.

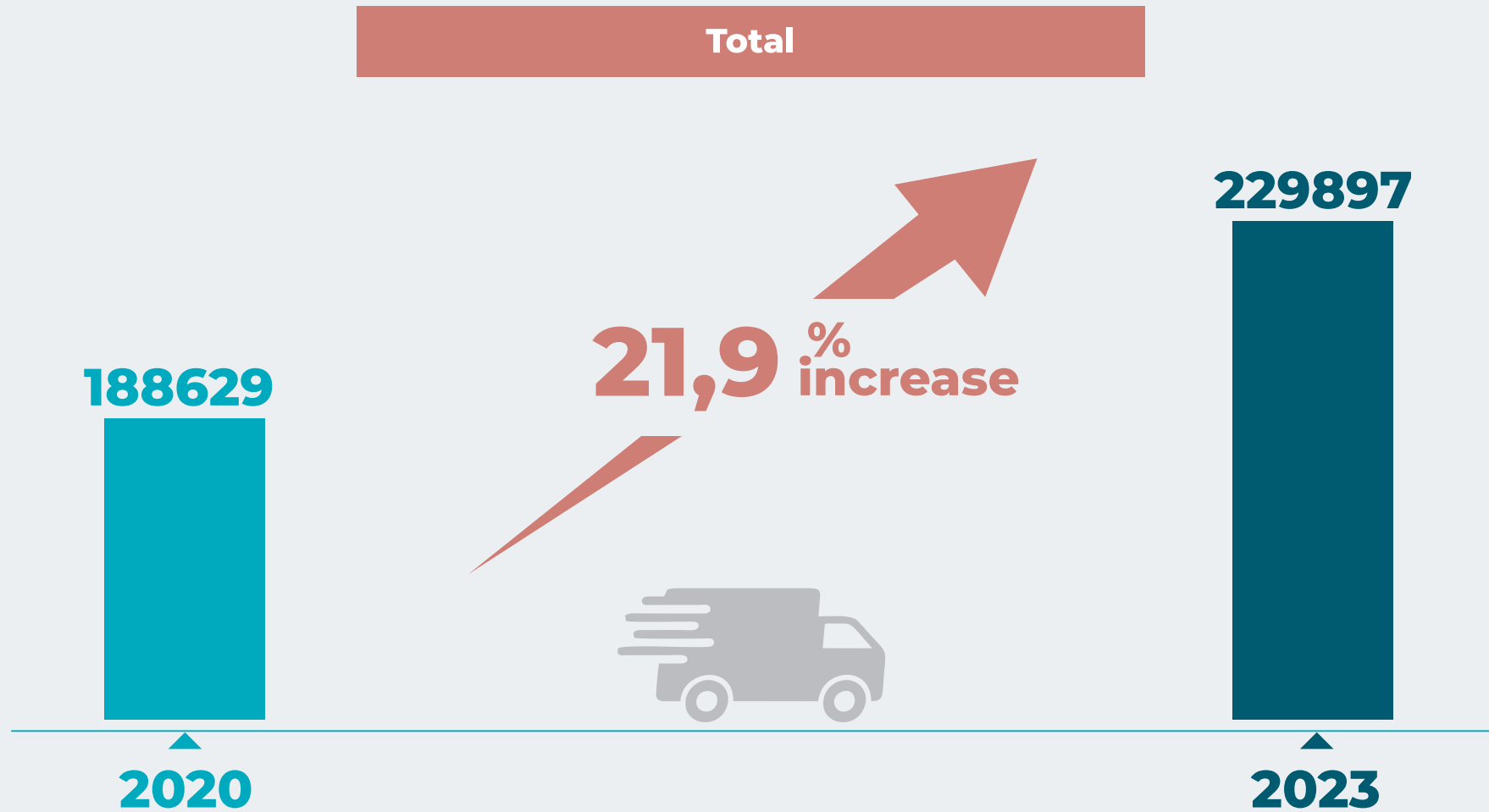
Between **2020** and **2023**, passenger transportation in the sector increased by **746.1 million** passengers, while passenger turnover grew by **14,877 million** passenger-kilometers.



Between **2020** and **2023**, freight turnover increased by a total of **16,945 million ton-kilometers**, which is attributed to the construction of new roads, the formation of new transportation links, and the rise in transportation orders. The highest growth in freight turnover, **9,949 million ton-kilometers**, belongs to pipeline transportation, while the second-highest growth, **3,649 million ton-kilometers**, is attributed to road transportation.



Freight Transportation in the Transportation Sector, 1,000 tons

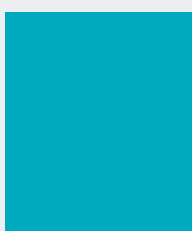


Freight Transportation in the Transportation Sector, 1,000 tons

Railway

25,9 % increase

14631



2020



18276



2023

Maritime

50,6 % increase

5982



2020

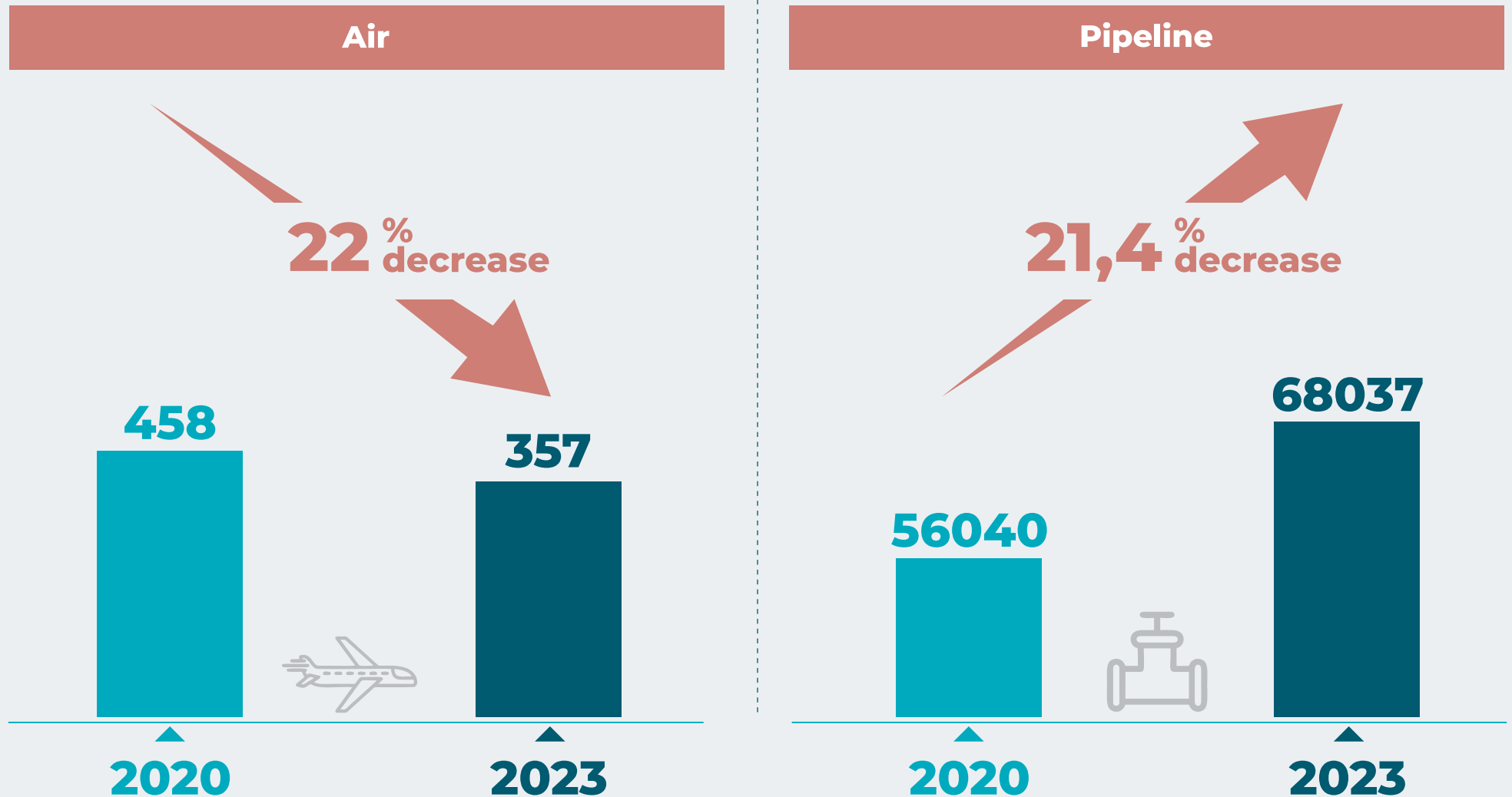


9011

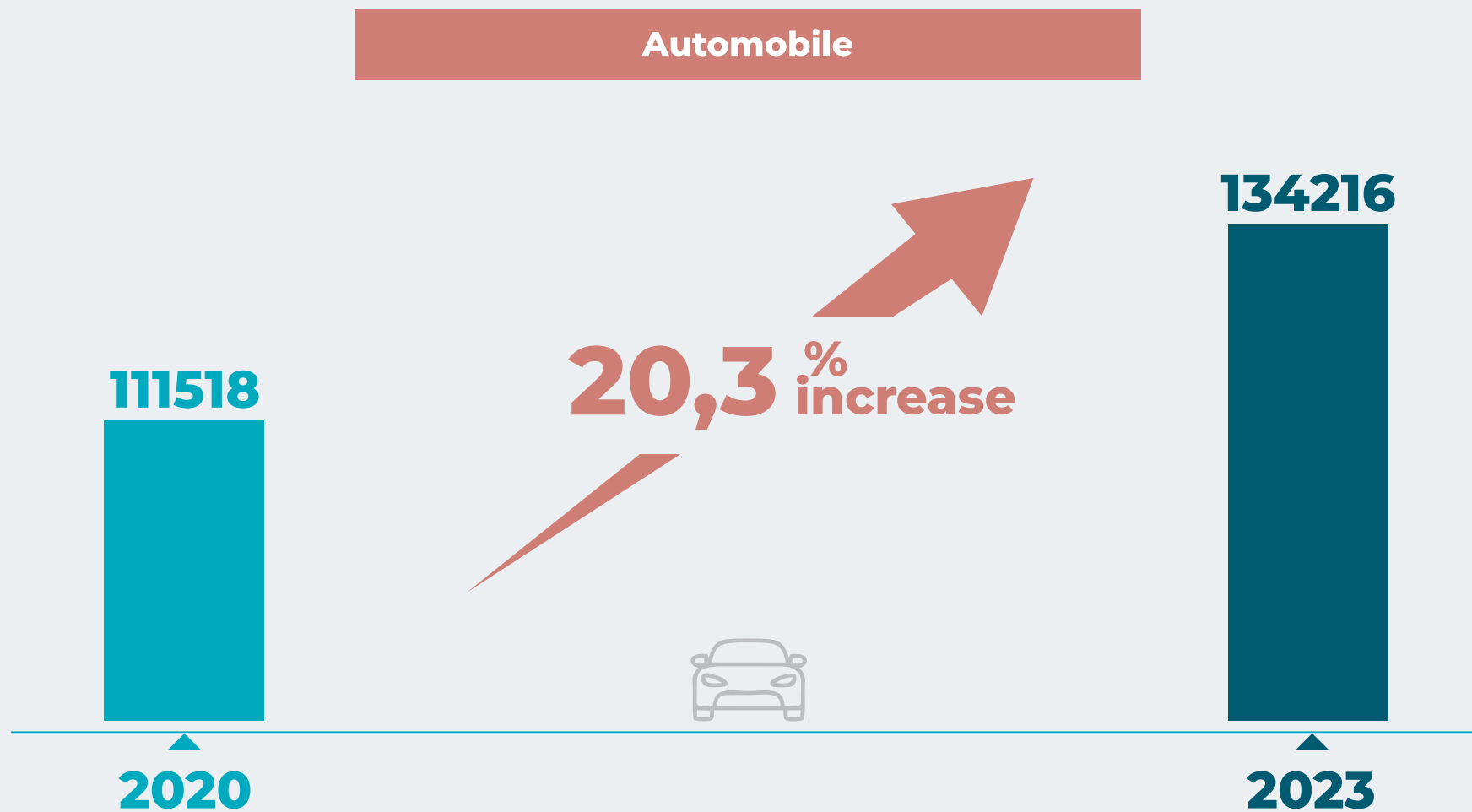


2023

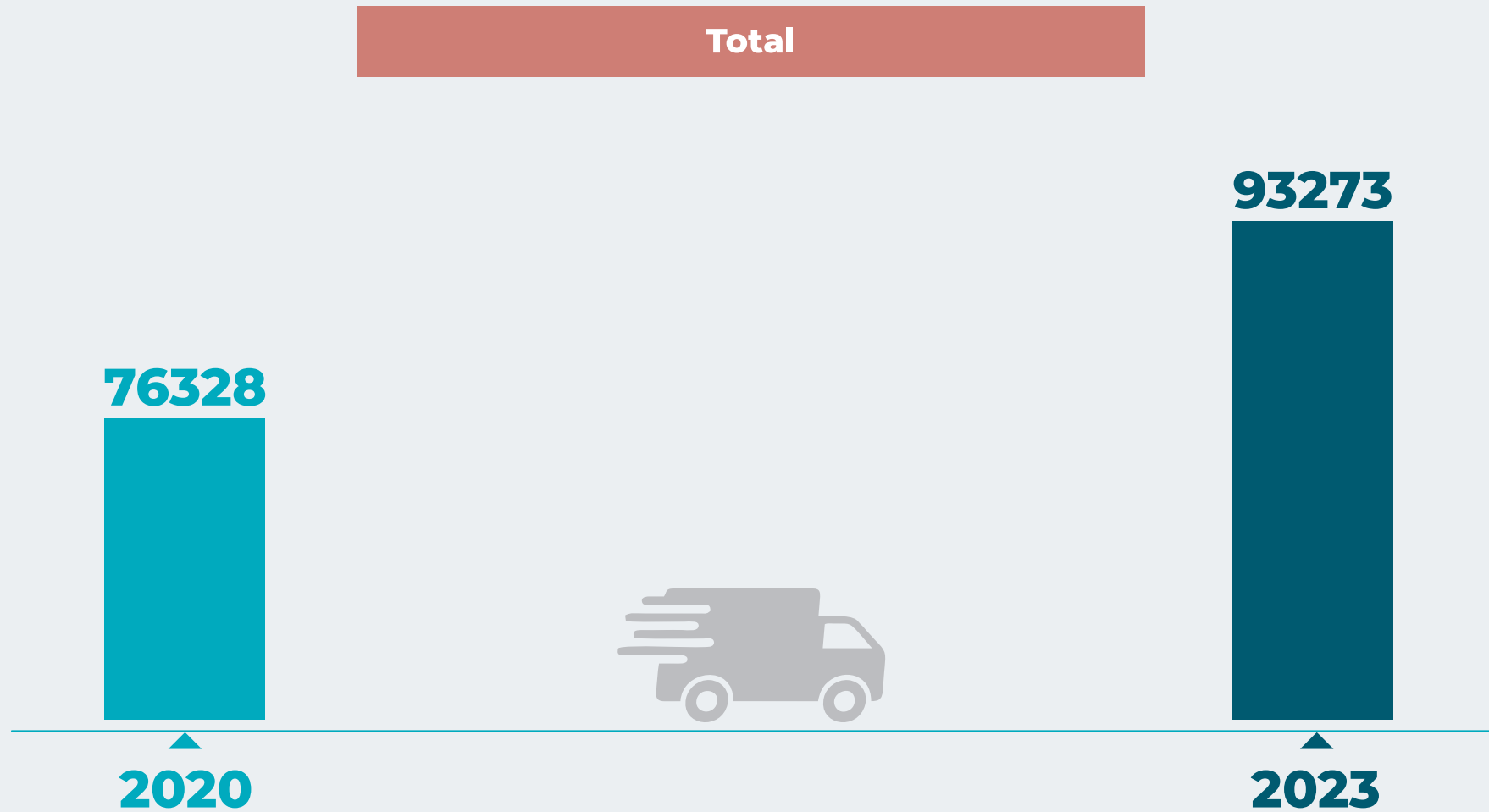
Freight Transportation in the Transportation Sector, 1,000 tons



Freight Transportation in the Transportation Sector, 1,000 tons



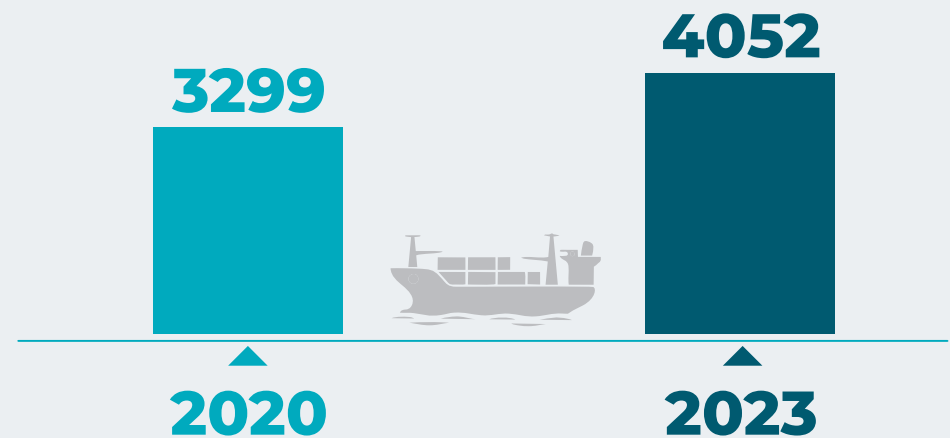
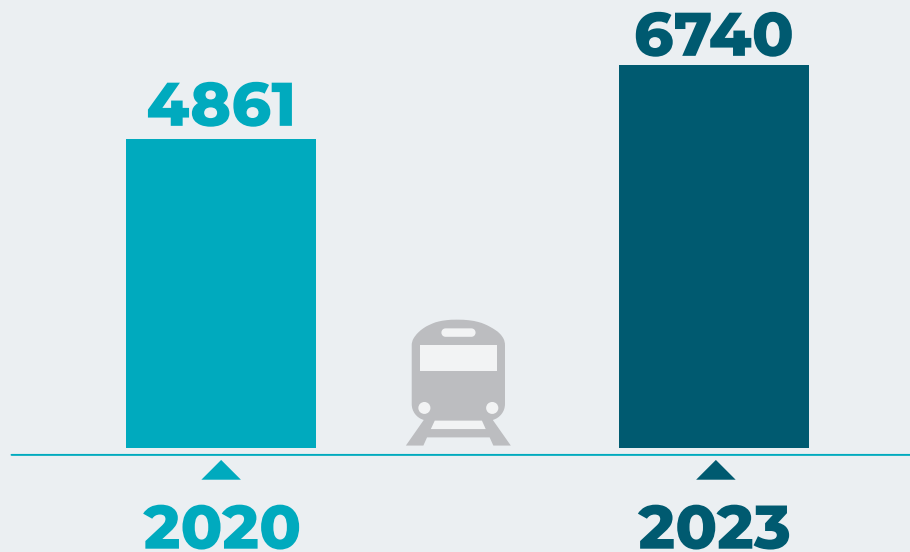
Freight Turnover in the Transportation Sector, million ton-kilometers



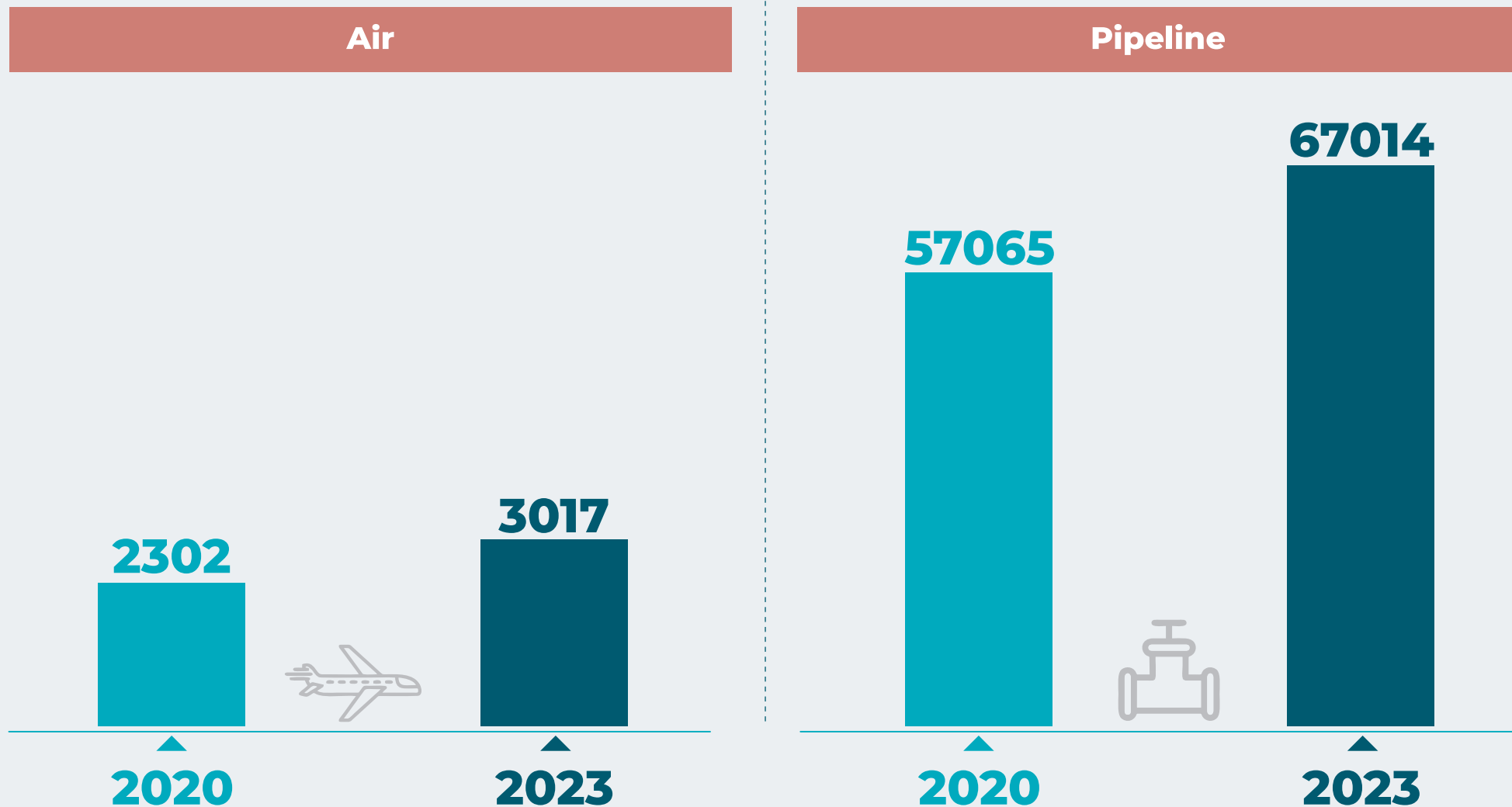
Freight Turnover in the Transportation Sector, million ton-kilometers

Railway

Maritime



Freight Turnover in the Transportation Sector, million ton-kilometers

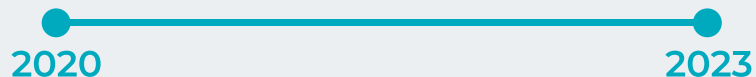


Mənbə: "Azərbaycanda nəqliyyat" statistik məcmuə, Bakı, 2024, səh.11.

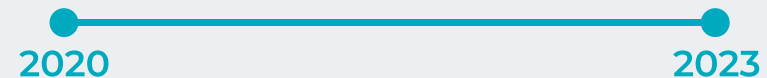
A similar positive trend has been ensured in passenger transportation in the transportation sector as well.



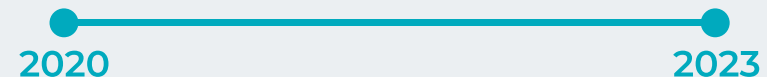
During this period, the highest increase was observed in road transportation with **593.9 million** passengers, followed by metro transportation with **144.7 million** passengers.



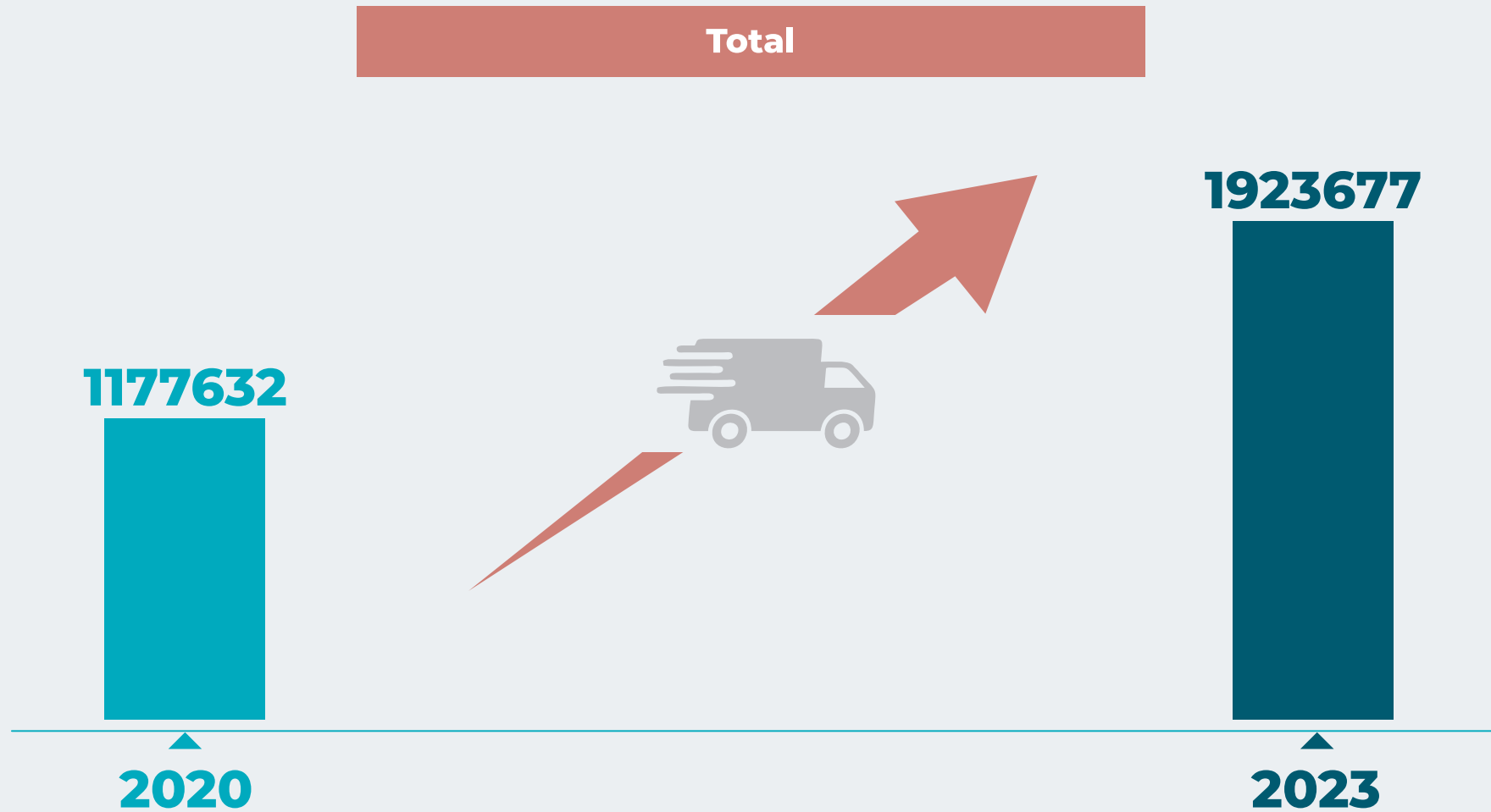
Between **2020** and **2023**, passenger transportation in the sector increased by **746.1 million** passengers, while passenger turnover grew by **14,877 million** passenger-kilometers.



In passenger turnover, road transportation leads with an increase of **8,671 million** passenger-kilometers, followed by air transportation with an increase of **4,296 million** passenger-kilometers.



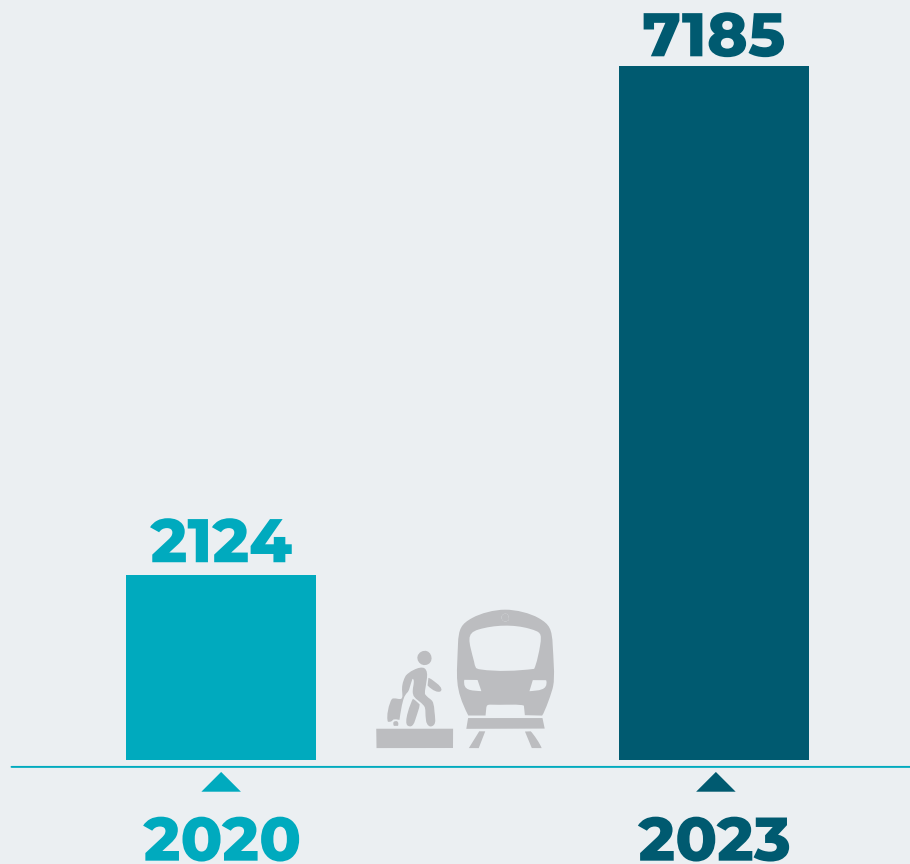
Passenger Transportation in the Transportation Sector, 1,000 passengers



Passenger Transportation in the Transportation Sector, 1,000 passengers

Railway

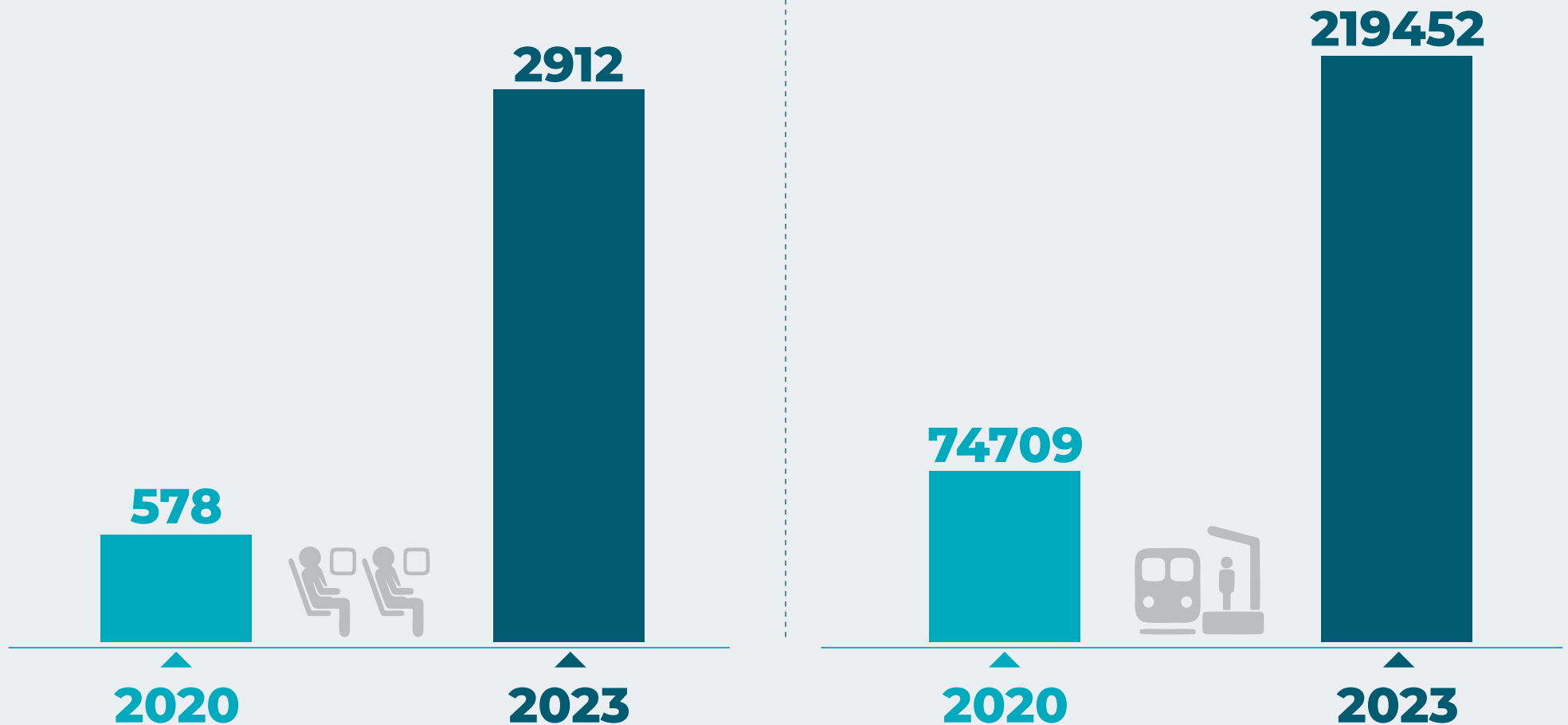
Maritime



Passenger Transportation in the Transportation Sector, 1,000 passengers

Air

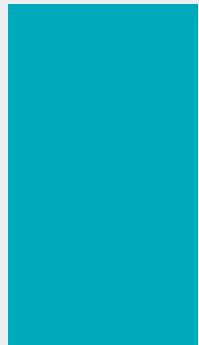
Metro



Passenger Transportation in the Transportation Sector, 1,000 passengers

Automobile

1100201



2020



1694104



2023

Autobus

1055268



2020

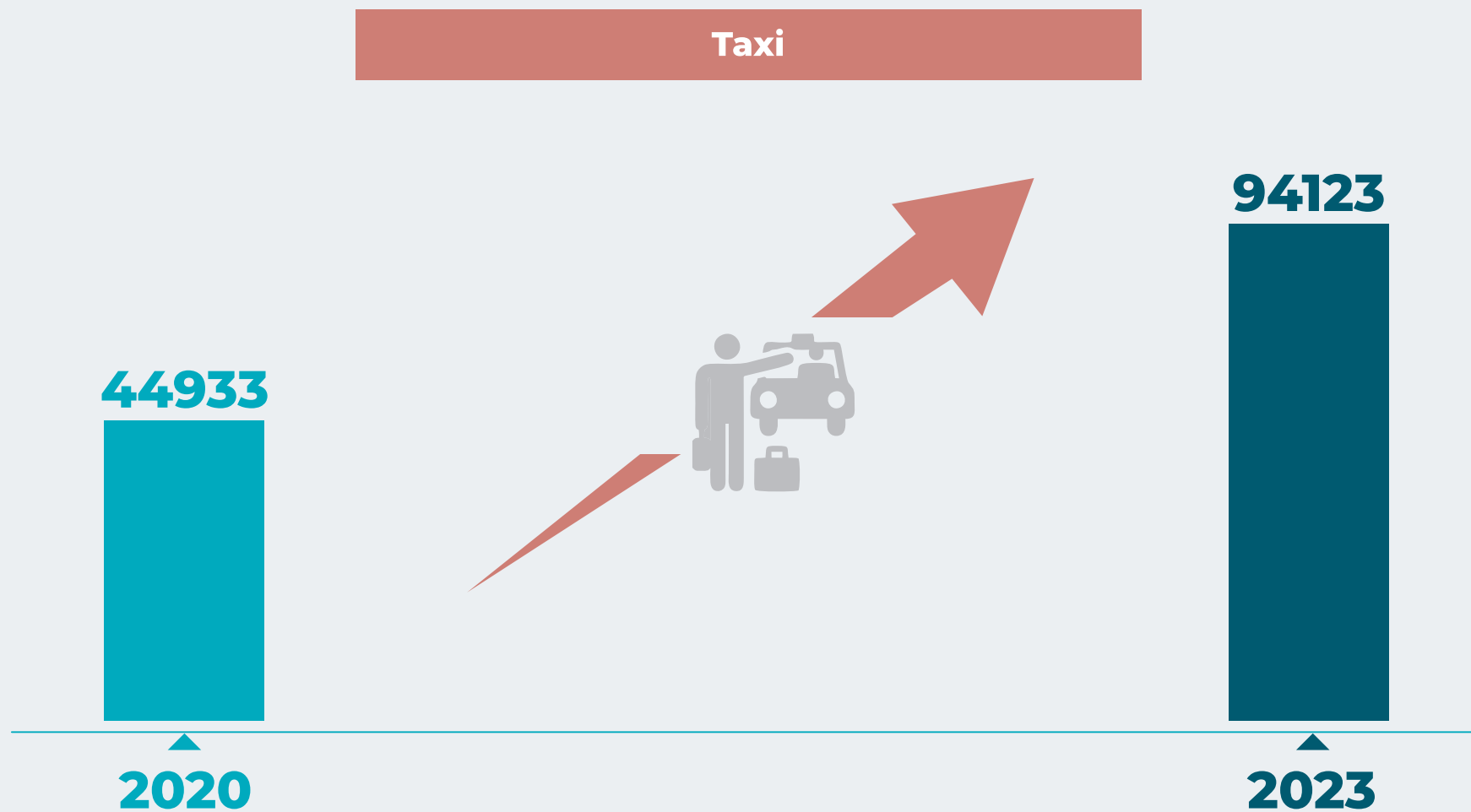


1599981

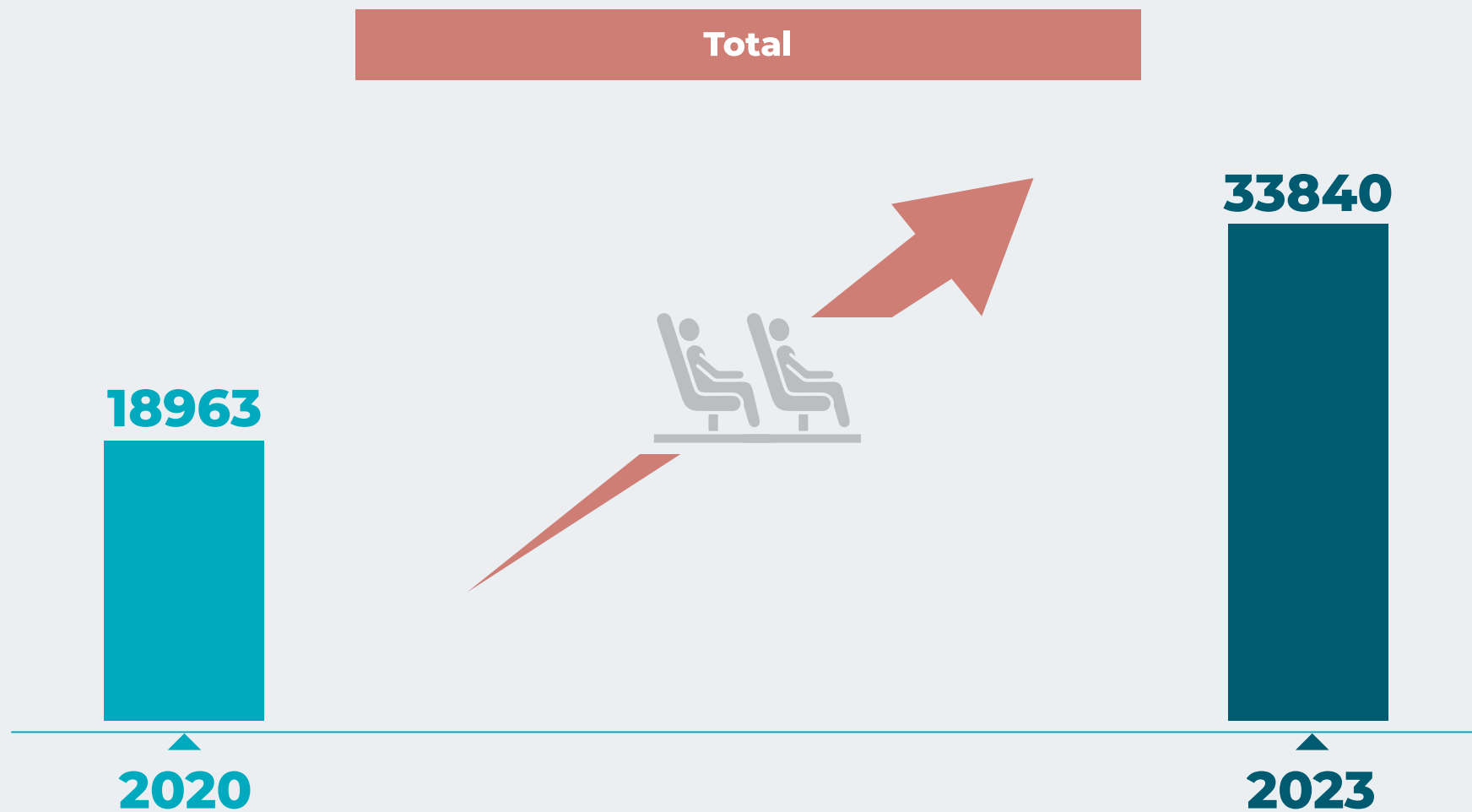


2023

Passenger Transportation in the Transportation Sector, 1,000 passengers



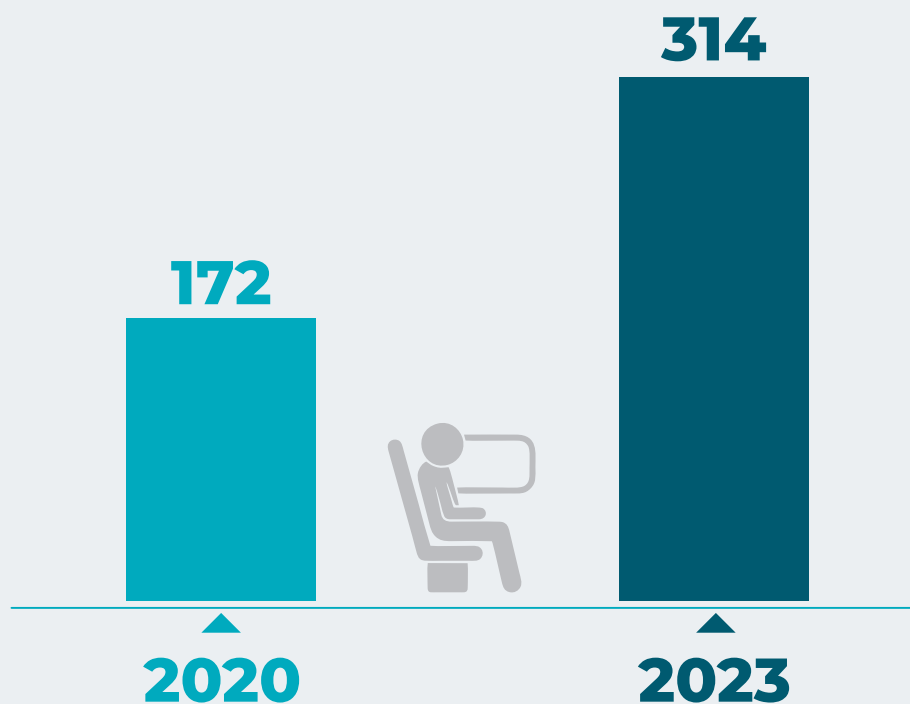
Passenger Turnover in the Transportation Sector, million passenger-kilometers



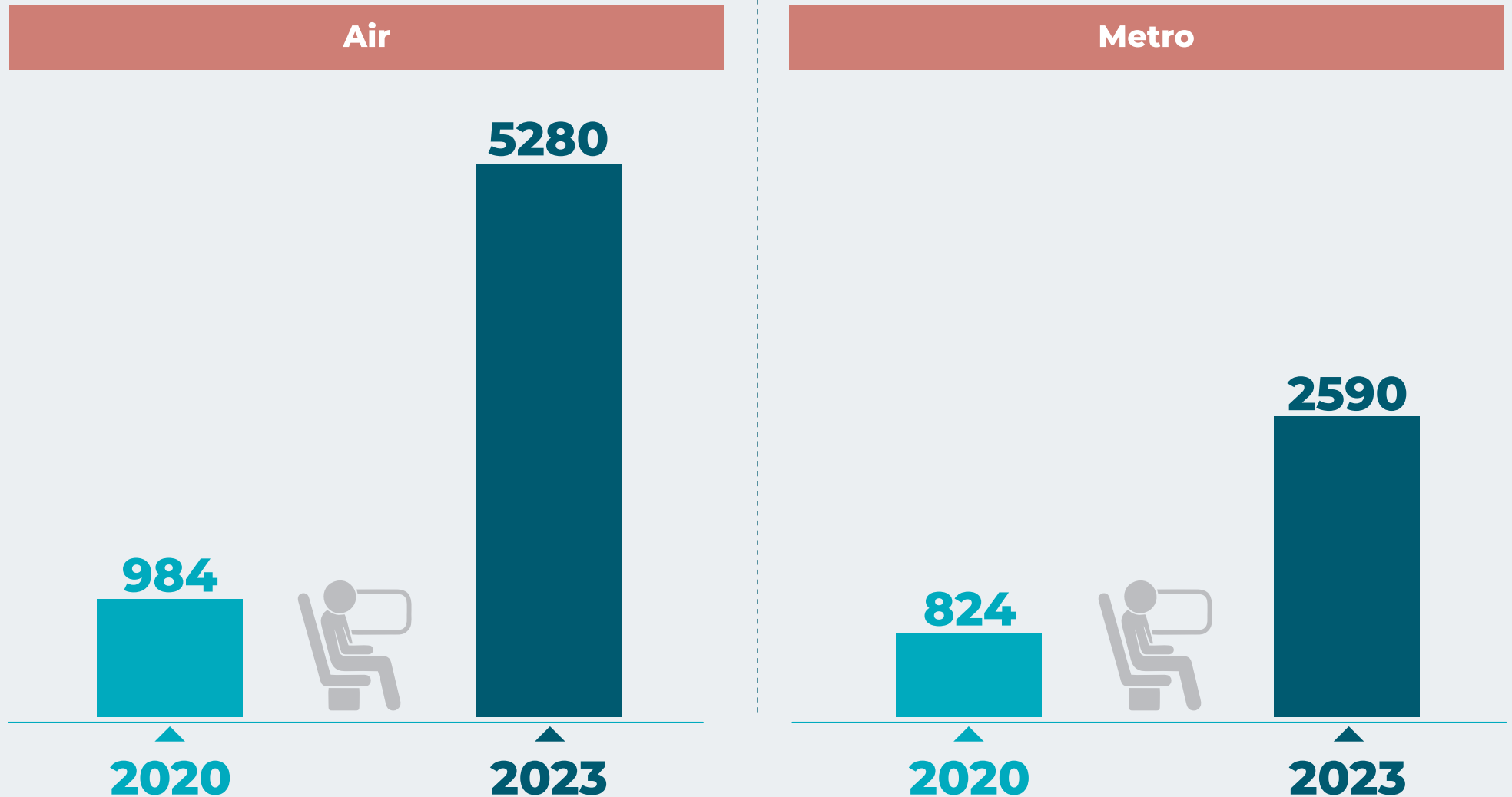
Passenger Turnover in the Transportation Sector, million passenger-kilometers

Railway

Maritime



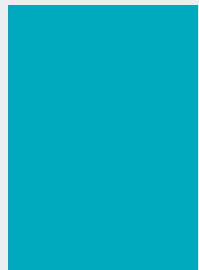
Passenger Turnover in the Transportation Sector, million passenger-kilometers



Passenger Turnover in the Transportation Sector, million passenger-kilometers

Automobile

16974



2020



25645



2023

Autobus

16007



2020

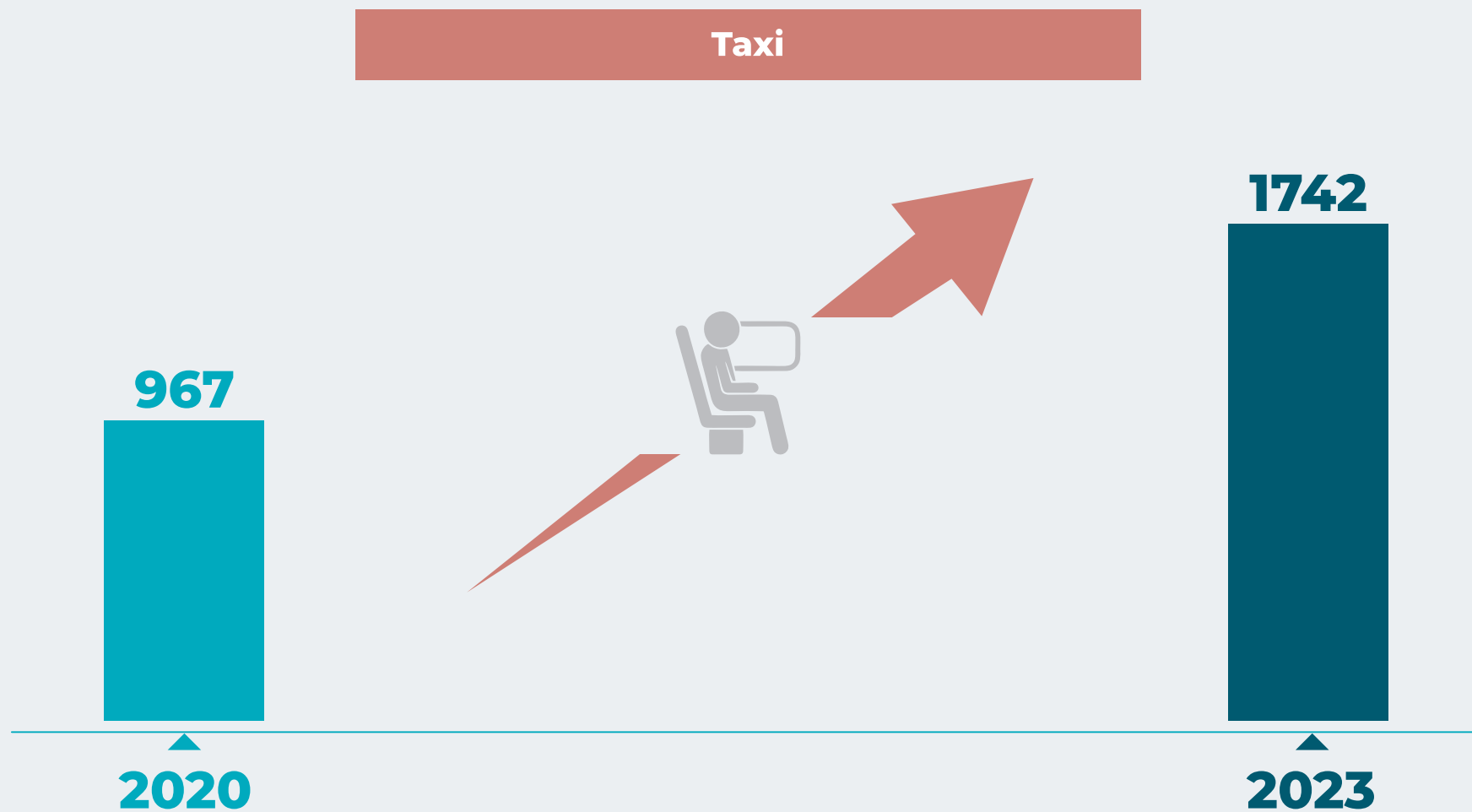


23903



2023

Passenger Turnover in the Transportation Sector, million passenger-kilometers

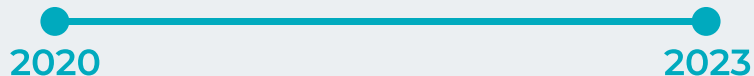


3

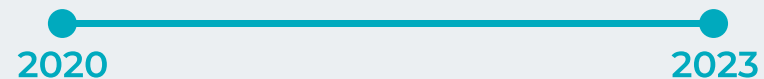
Information on Costs and Revenues in the Transportation Sector

As in all sectors, the costs incurred and the revenues generated in the transportation sector are essential indicators for assessing the overall performance of the sector.

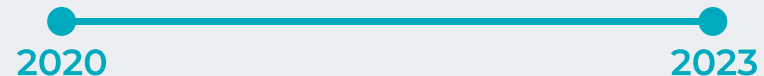
During these years, the revenues from freight transportation increased by **1,198.4 million manat**, or **19.7%**, while the revenues from passenger transportation rose by **1,759.6 million manat**, or **19.3%**.



Between **2020** and **2023**, the revenues from transportation amounted to **36,533 million manat**, while the costs incurred for transportation totaled **23,023.5 million manat**, resulting in a profit of **13,509.5 million manat**.

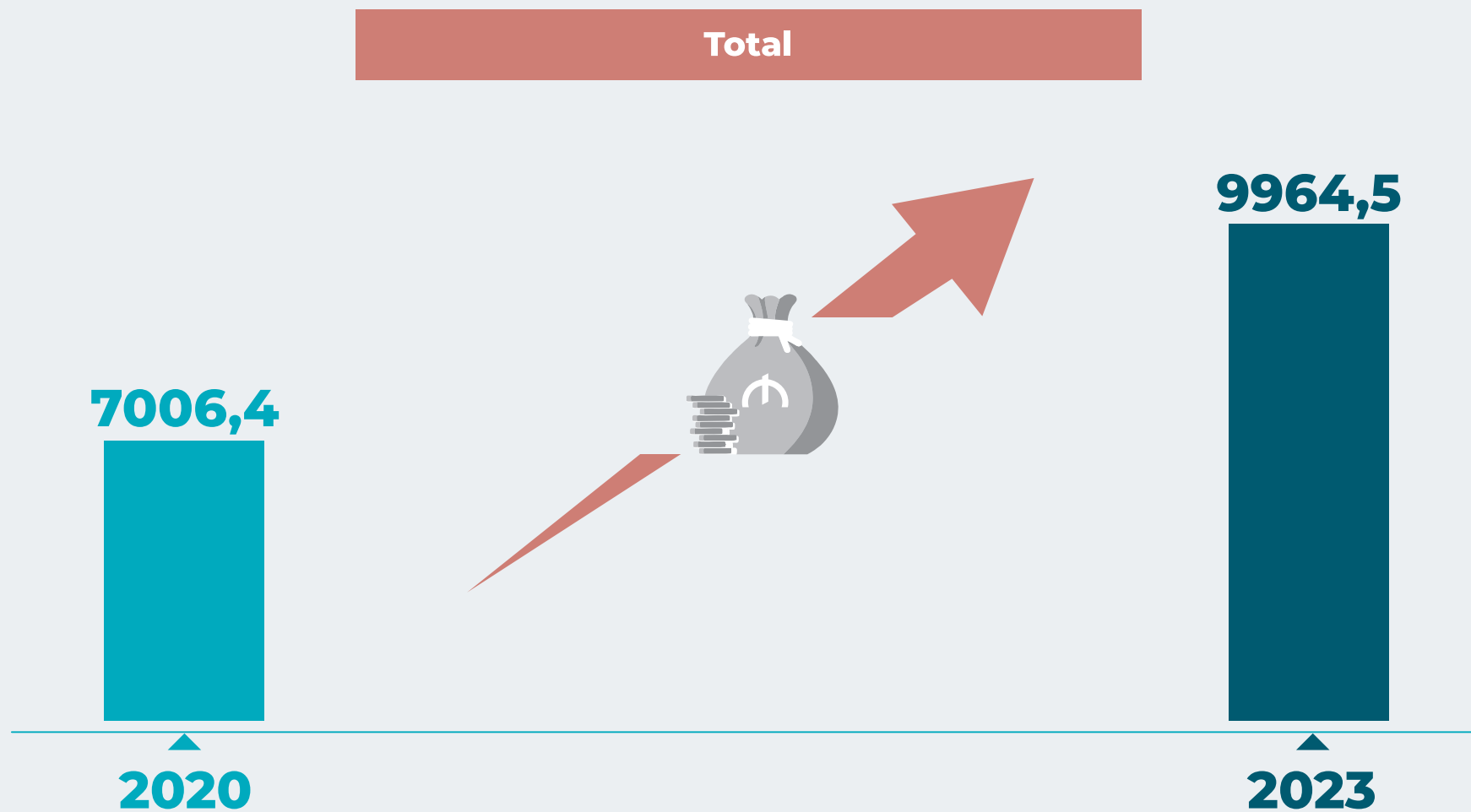


During the reviewed period, the highest revenue increases were observed in pipeline transportation with **1,294.1 million manat**, followed by road transportation with **763.0 million manat**, and maritime transportation with **590.6 million manat**.



Between 2020 and 2023, the costs incurred for air transportation amounted to 14,313 million manat, for pipeline transportation to 15,550 million manat, and for road transportation to 22,392 million manat.

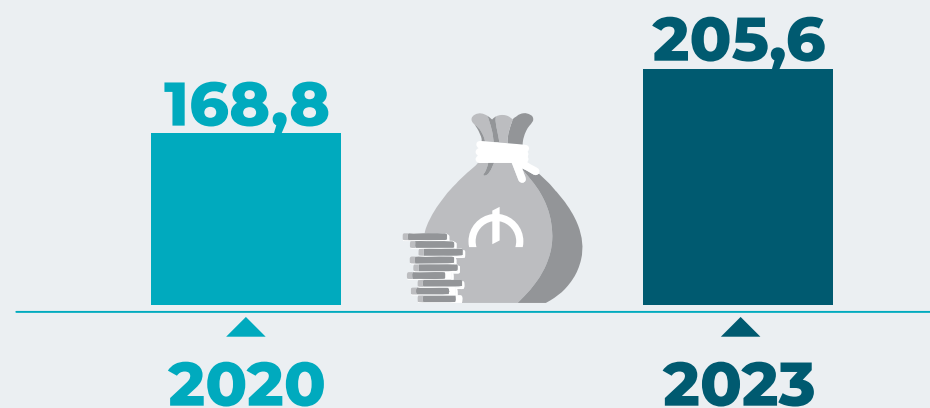
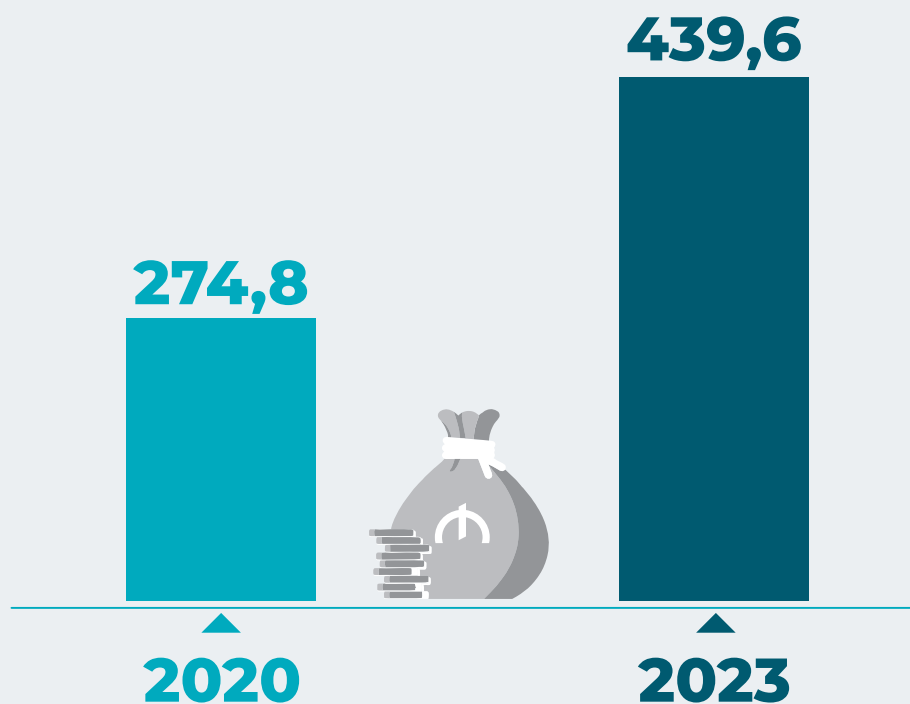
Revenues from Transportation in the Transportation Sector, million manat



Revenues from Transportation in the Transportation Sector, million manat

Railway

Maritime

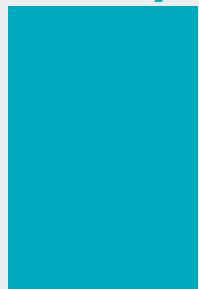


Revenues from Transportation in the Transportation Sector, million manat

Air

Pipeline

3035,2



2020



3625,8



2023

2323,7



2020



3617,8

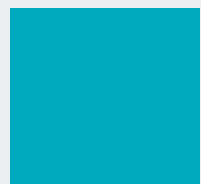


2023

Revenues from Transportation in the Transportation Sector, million manat

Automobile

1182,0



2020



1944,8



2023

Metro

21,6



2020

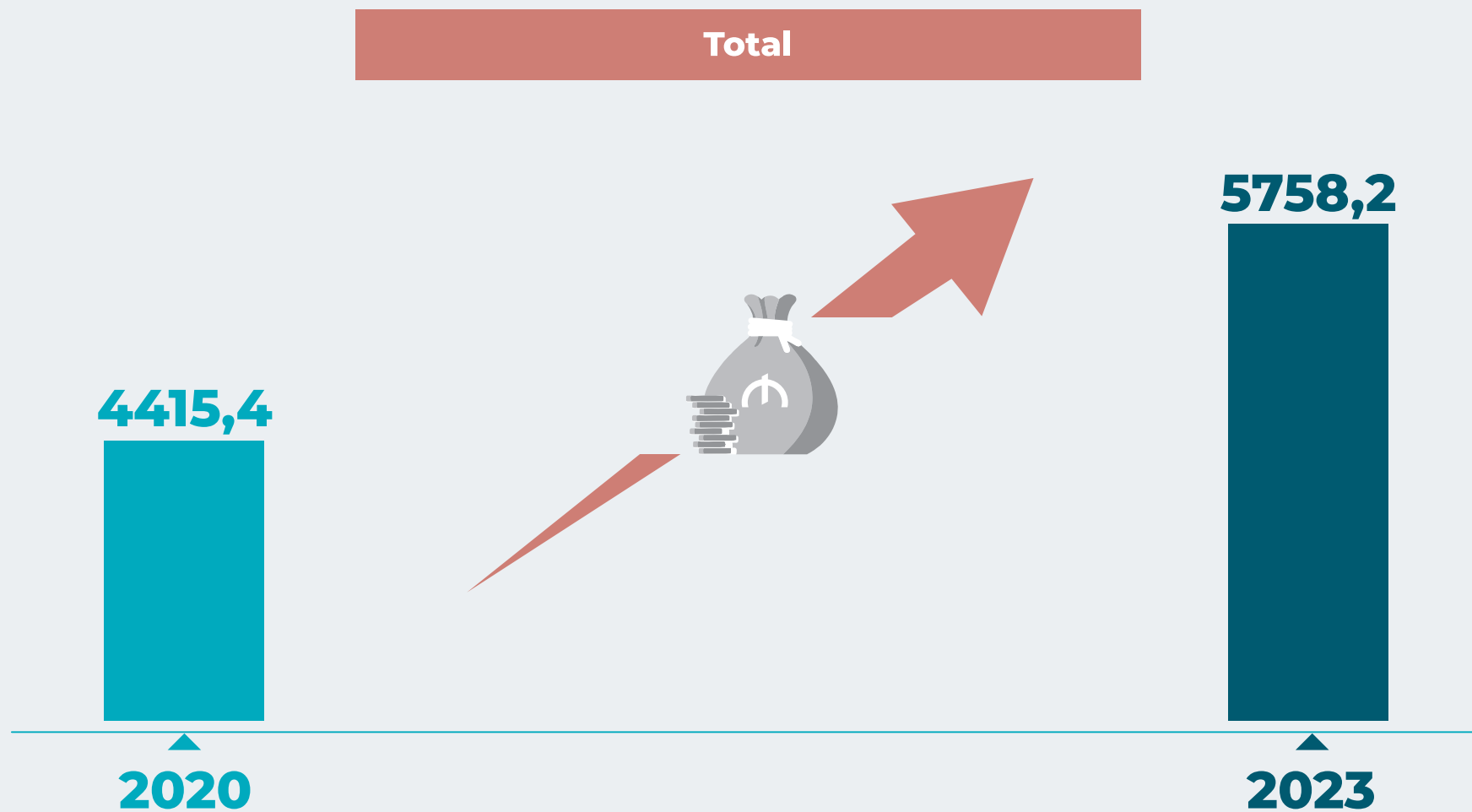


83,5



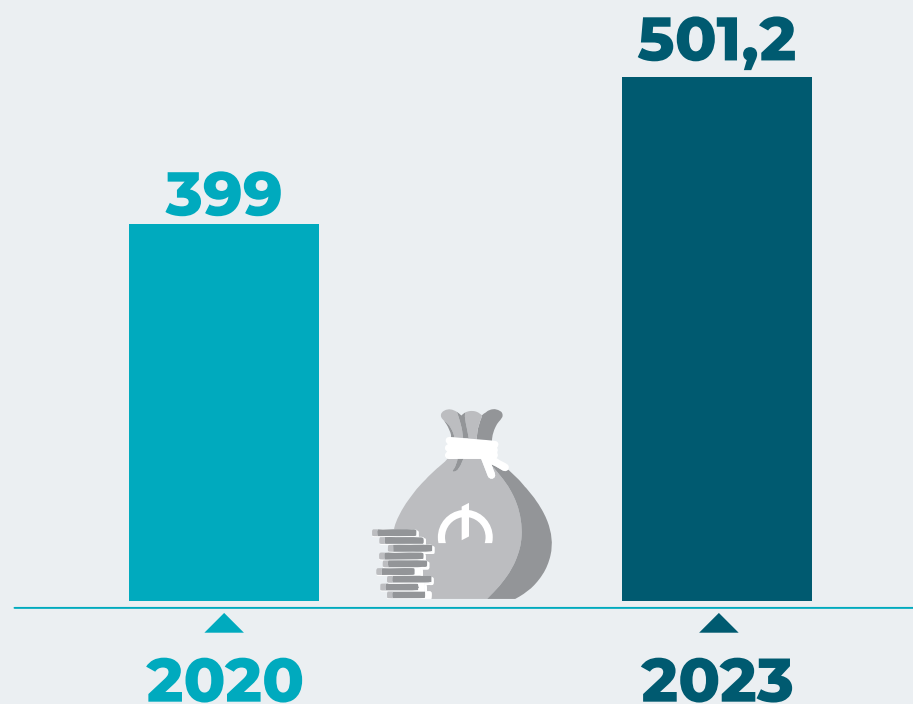
2023

Transportation Costs (Freight and Passenger) in the Transportation Sector, million manat

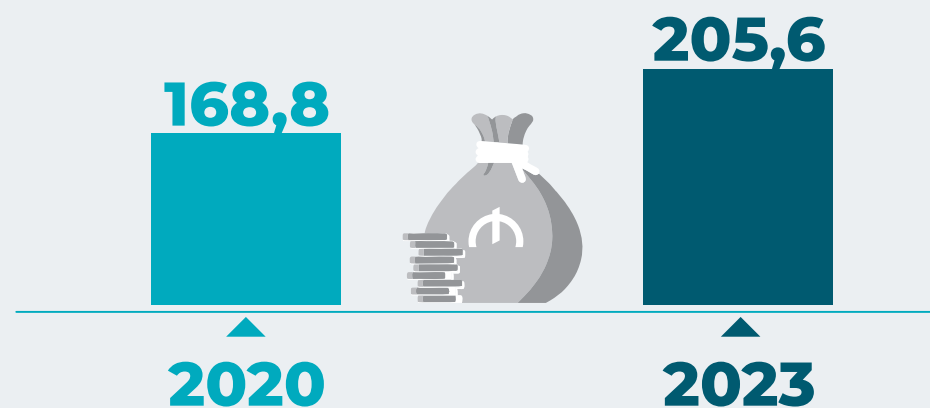


Transportation Costs (Freight and Passenger) in the Transportation Sector, million manat

Railway



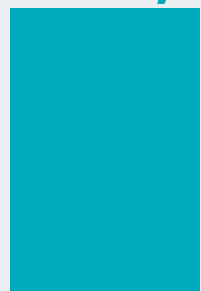
Maritime



Transportation Costs (Freight and Passenger) in the Transportation Sector, million manat

Air

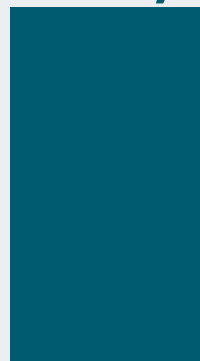
2902,9



2020



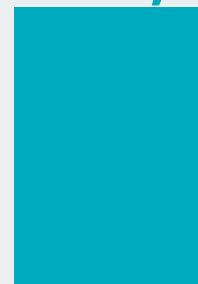
3283,2



2023

Pipeline

4118,3



2020



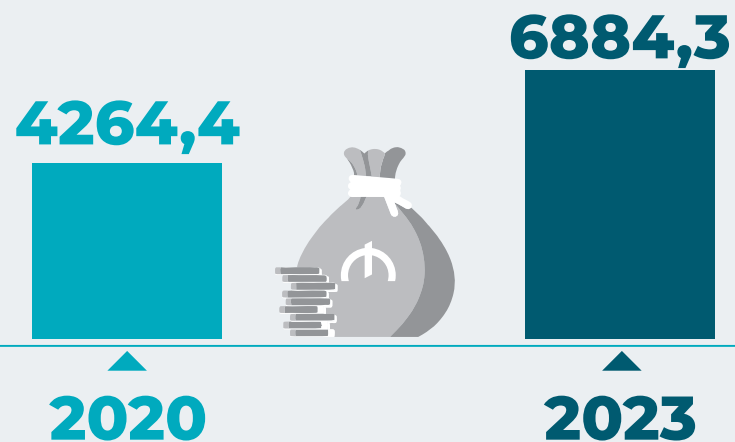
9251,9



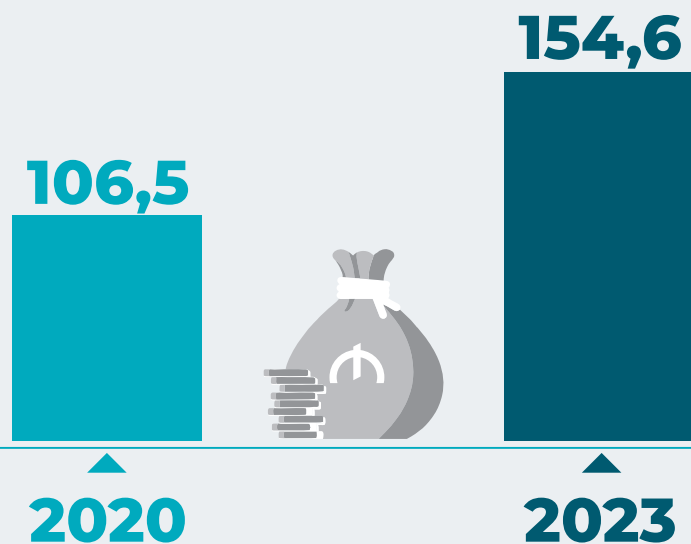
2023

Transportation Costs (Freight and Passenger) in the Transportation Sector, million manat

Automobile



Metro



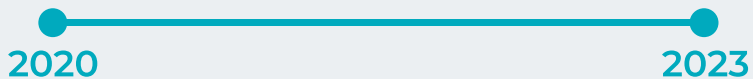
Mənbə: "Azərbaycanda nəqliyyat" statistik məcmuə, Bakı, 2024, səh.19.

4

Analysis of the Current State of Azerbaijan's Transportation Fleet

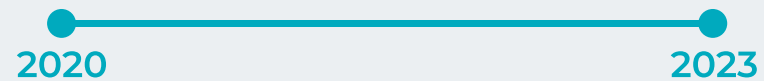
The observed positive dynamics in the transportation sector, as well as the sustained economic progress in our country, have also had a significant impact on the national transportation fleet.

The number of freight vehicles accounts for **10.2%** of the total fleet. Between **2020** and **2023**, the number of passenger cars in our country increased by **237,415** units, or **18.8%**, buses by **703 units**, or **2.3%**, and freight vehicles by **22,963 units**, or **14.8%**.

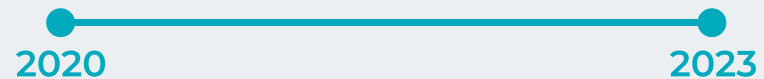


Between **2020** and **2023**, our country's transportation fleet was enriched with **265,377** various brands of vehicles.

Currently, **86.4%** of the **1.74 million** vehicles in our country are passenger cars, of which **95.0%** are private passenger cars.



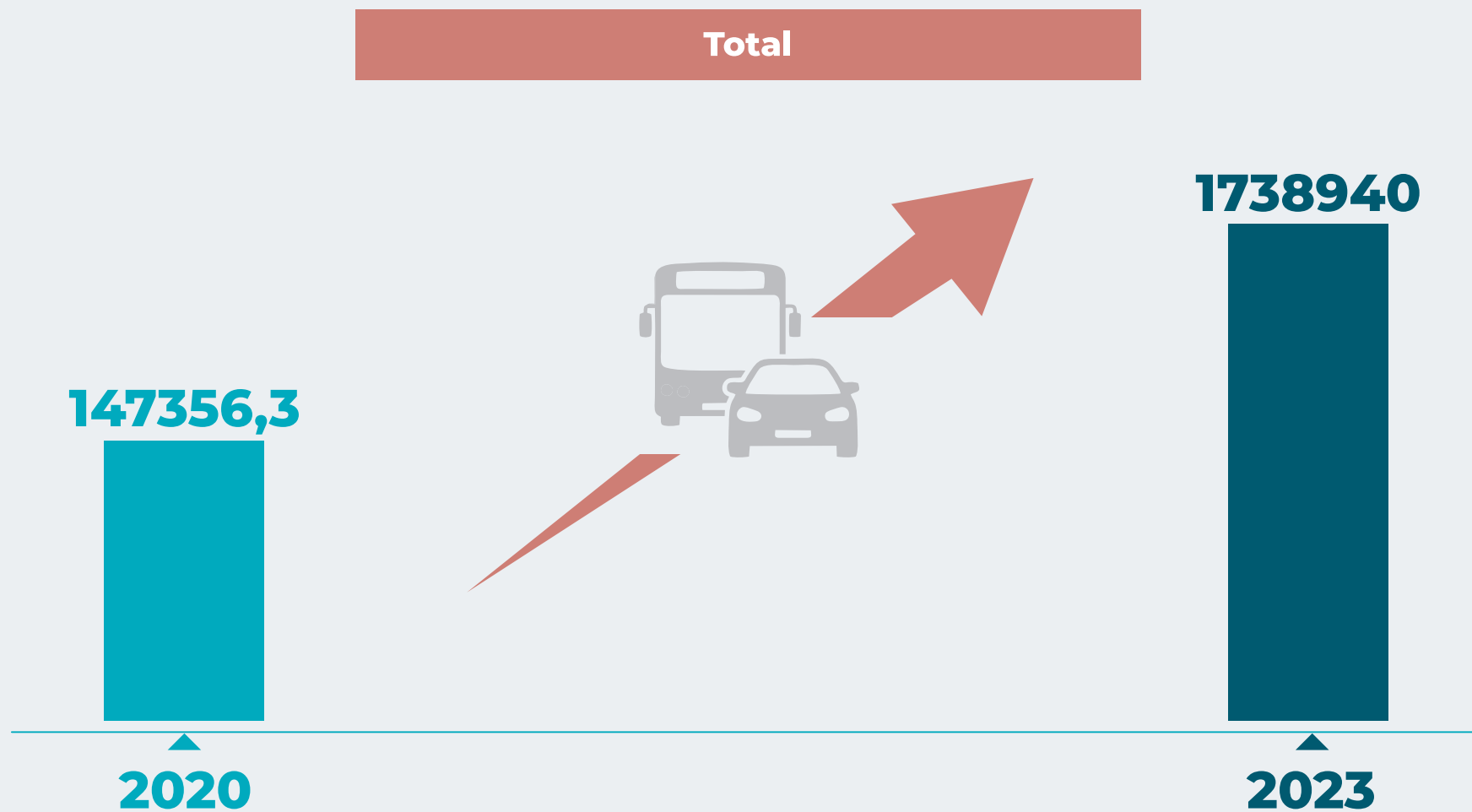
According to the **2023** figures, there are **31,460** buses in operation in the country, which constitutes **1.8%** of the total transportation fleet.



During this period, the number of vehicles per **1,000 people** increased to **23**, the number of cars per **1 km** of highways rose to **14**, the number of passenger cars per **1,000 people** reached **21**, and the number of private passenger cars per **100** households increased to **6**.

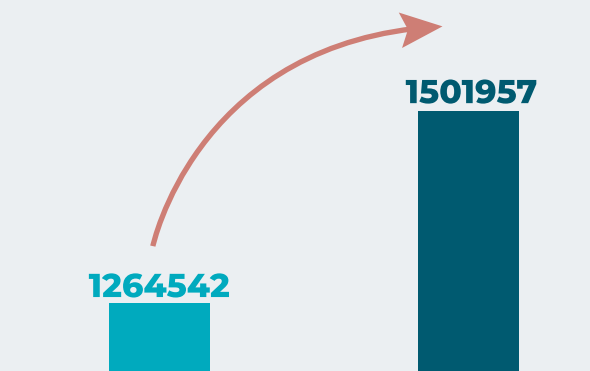
As part of the green transportation system, the number of motorcycles increased by **4,138 units**, or **90.1%**, between **2020** and **2023**. Additionally, the number of electric vehicles in the country has reached **3,135 units**.

Number of vehicles, at the end of the year, in numbers

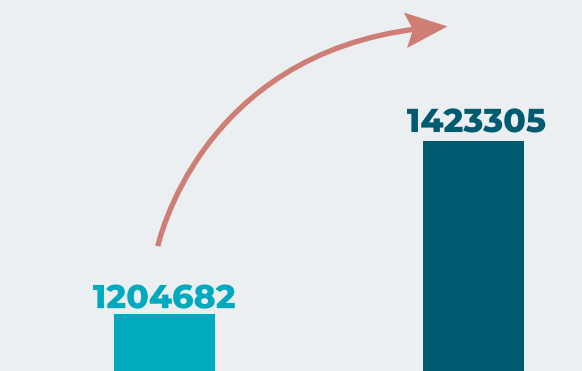


Number of vehicles, at the end of the year, in numbers

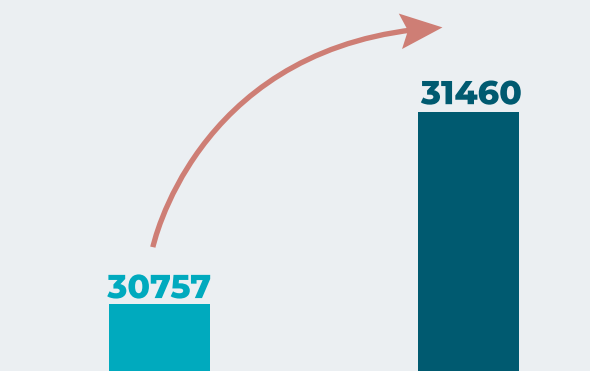
Passenger cars



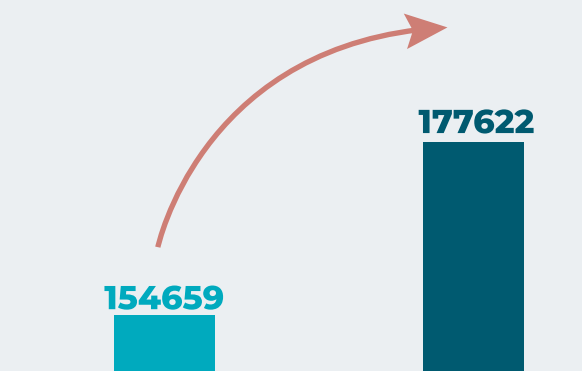
Private passenger cars



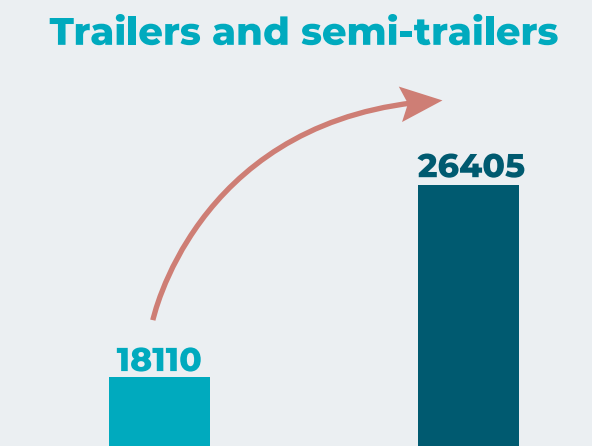
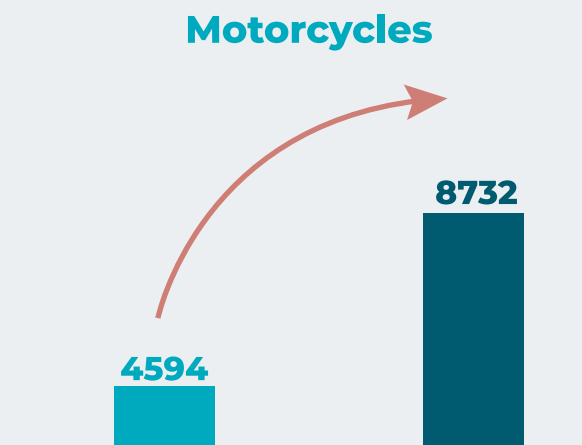
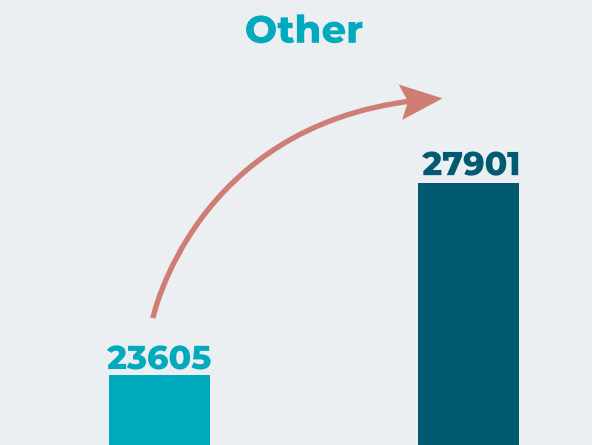
Buses



Freight vehicles

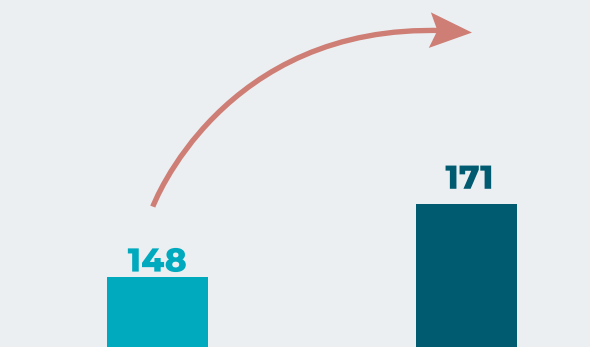


Number of vehicles, at the end of the year, in numbers

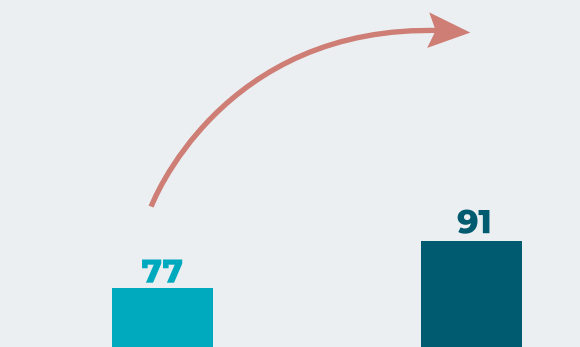


Number of vehicles, at the end of the year, in numbers

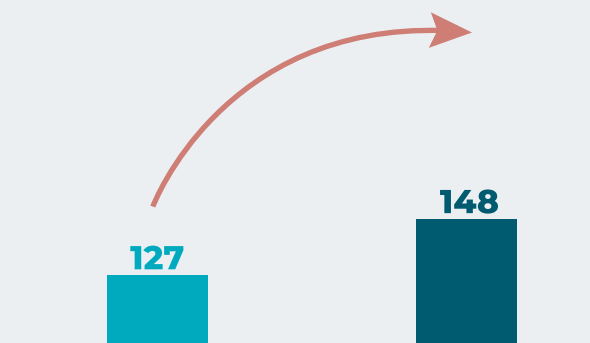
Cars per 1,000 People



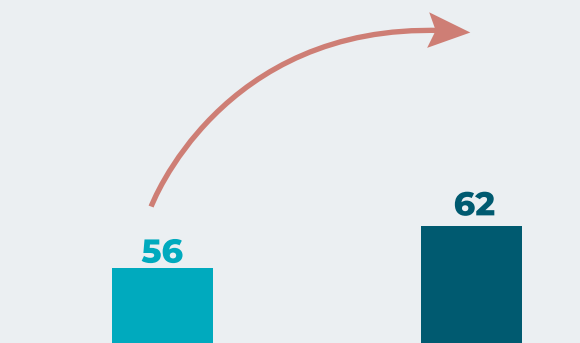
Passenger Cars per 1 km of Highways



Passenger Cars per 1,000 People



Private Passenger Cars per 100 Households



Mənbə: "Azərbaycanda nəqliyyat" statistik məcmuə, Bakı, 2024, səh.36.

A large, stylized number '5' in a light blue color, positioned to the left of the main text.

Information on the Operations of International Transport Corridors

The driving force behind the sustainable and dynamic progress of nation-states and their access to foreign markets, which has become an essential condition for trade-economic relations, is transportation links. Transportation connections (projects) are a key focus of intergovernmental economic relations. Moreover, the Republic of Azerbaijan's location at the crossroads of international transportation corridors promises long-term advantages and dividends.

In **2023**, **32.8 million tons** of cargo were transported through the international transportation corridors in which our country participates.

Of this, **53.0%** accounted for the East-West corridor, **28.3%** for the North-South corridor, **18.0%** for the North-West corridor, and **0.7%** for the South-West transportation corridor.

Transit cargo accounted for **56.8%** of the total cargo transported through the corridors. In **2023**, the revenue from cargo transportation via international transport corridors amounted to **555.4 million manat**, with **62.2%** of this revenue derived from transit cargo transportation.

In 2023, the cargo turnover via international transport corridors amounted to **12,873.6 million ton-km**. Of this, **51.6%** was attributed to the East-West corridor, **19.4%** to the North-South corridor, **26.3%** to the North-West corridor, and **2.7%** to the South-West transport corridor.

About cargo transportation in international transport corridors

Cargo transported in transport corridors, thousand tons.

EAST-WEST 17383

NORTH-SOUTH 9271,1

NORTH-WEST 5898,6

SOUTH-WEST 252,9

About cargo transportation in international transport corridors
Transit cargo was transported across the corridors.

EAST-WEST 10668,4

NORTH-SOUTH 1829,7

NORTH-WEST 5889,4

SOUTH-WEST 252,9

About cargo transportation in international transport corridors
Cargo turnover, million ton-km.

EAST-WEST 6648,0

NORTH-SOUTH 2494,7

NORTH-WEST 3390,7

SOUTH-WEST 340,2

Revenue from cargo transportation – million manat

TRANSIT CARGO
TRANSPORTATION 345229,0

47 Gurban Khalilov Str.,
Yasamal district, Baku, AZ 1073
Tel.: (+ 994) 12 521 25 35
info@ereforms.gov.az

www.ereforms.gov.az