AHK Azerbaijan member companies assessed the economic impact of the coronavirus pandemic

AHK Azerbaijan conducted a flash survey among its member companies to gauge the initial impact of COVID-19 in the business environment

The sudden spread of COVID-19 has not only claimed lives, it is having an unprecedented impact on global economic activity. The severity of the shock has triggered strict containment measures across the globe, such as quarantines, border closures, and travel bans curtailing mobility and leading to substantial production disruptions and output losses. Azerbaijan followed the suit and imposed a special quarantine regime across the country to tackle the further spread of the new coronavirus. A vast majority of AHK members are noticing the critical or medium impact of the pandemic and resulting prevention and control measures on their businesses. Not surprisingly, these shocks are particularly acute in some specific sectors such as construction, retail, tourism, and hospitality. These observations emerge from a flash survey recently conducted by the German-Azerbaijani Chamber of Commerce among its 140 members.

Companies are severely hit by the lower demand for products and services. As a direct consequence of the spread of the coronavirus, every third AHK member plans to lower its business performance target set for 2020. In this context, companies intend to rely on government support and believe that flexible and timely policymaking interventions will be essential to create the conditions for quick economic recovery. Questioned about the most important measures that the Azerbaijani government should introduce to support businesses, for 70% of responding AHK members, tax holidays or deferral of payments is the primary condition.

It is reassuring that despite tempered performance and possible future challenges, almost half of the surveyed AHK members are NOT planning major cutbacks in their employment strategies this year. It is worth mentioning that AHK members claim to be supporting the government in its mission to contain the spread of Covid-19 in the country, as well as...
identify key action areas for economic recovery associated with this. Thus, 22 out of 60 surveyed AHK members claim to have made donations to Coronavirus Response Fund established by the decree of the President in March 2020. A large number of other respondents claim to have supported the government through consultations regarding reforms and economic stimulus measures.

“We hope that this Survey will be a useful tool and reliable source of feedback in providing state authorities and policymakers with deeper insights into the current situation and business needs. Thus, it will contribute to the government’s efforts to mitigate the economic and financial disruptions and to move to rapid recovery. To do this, we are always ready to continue our constructive dialogue with the Azerbaijani government to map the best way forward for the common benefit of all economic subjects or formations.” - stated the CEO of the AHK Azerbaijan, Mr. Tobias Baumann.

***Detailed survey findings are available to download on our [Website](#).***

**About AHK Azerbaijan**

The German-Azerbaijani Chamber of Commerce (AHK Azerbaijan) is the official representation of the German economy in Azerbaijan providing information services and support to the companies in their market and business research since 2012. The AHK Azerbaijan emerged from the German-Azerbaijani Business Association (DAWF) founded in 1999. With over 140 member companies, the AHK Azerbaijan is the most powerful European economic association in Azerbaijan. Companies can particularly benefit from the well-developed network of AHK in the economy and politics of Azerbaijan. While actively representing the interests of its member companies, the AHK Azerbaijan also offers a wide range of reliable business and legal services.

**More information:**

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