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1. The President of Azerbaijan Republic signed a decree on establishment of Karabakh Revival Fond (hereinafter - KRF or Fund) on January 04, 2021. Additionally, the Charter of KRF was approved by the Decree, dated January 19, 2021.

According to the Charter, KRF is a public legal entity that provides financial support and investment in the restoration and reconstruction of the liberated territories of the Republic of Azerbaijan, the development of public-private partnership in this area, as well as the necessary propaganda work within the country and abroad (hereinafter - the relevant field).

According to the Charter, rules of activities of KRF are defined as following:

- Directions of activities of KRF;
- Rights and obligations of KRF;
- Management of KRF;
- Authorized fund, property and bases of financial activity of KRF;
- Accounting and reporting in KRF;
- Form and scope of control over activities of KRF;
- Reorganization and liquidation of KRF.

Reorganization and liquidation of the Fund will be carried out by the President.

2. On January 29, 2021, the Cabinet of Ministers approved rules on the public register of innovative projects and conditions of getting startup passports (hereinafter – the Rules). For the purposes of the said Rules, the public register is a register that information

of projects can be publicly accessible (hereinafter - the Register). Intended projects are the activities aimed at the creation and implementation of new or improved goods (works, services), technological processes.

According to the Rules, formation and maintenance of the Register are carried out by the Innovation Agency under the Ministry of Transport, Communications and High Technologies of the Republic of Azerbaijan (hereinafter – the Register Operator).

The information is entered into the register based on the application of resident legal entities and individuals and is provided after logging through the "ASAN login" system.

The following information is included in the Register:

- project registration date and number;
- the type and scope of the project determined by the Register operator based on the information provided by the applicant;
- project name and a brief description;
- information on the project representative (representative of the applicant legal entity or individual);
- any subsequent changes to the information included in the Register;
- other information provided by the applicants for their disclosure at their request
- applicant's contact information (actual address, telephone, and e-mail);
- project information;
- submission of information and inclusion in the Register

Moreover, after the applicants register the information regarding their project on the Register, they are issued a Startup passport in the form of an electronic document through an electronic information resource on the basis of this registration. The applicant may also request a Startup passport on paper. In this case, the Register Operator shall submit the Startup passport to the applicant within five working days, in a signed and stamped form on paper.

The Startup passport contains the following information:

- Project registration number in the Register;
- Information about the project representative;
- Project name and type.

When the Register is canceled, the Startup passport

becomes invalid.

3. The Criteria for determination of Startup have been approved by the Decision of the Cabinet of Ministers, on January 29, 2021.

The criteria for applicants to obtain the Startup Certificate are as follows:

- To be a micro or small business entity;
- To share of founders of medium and/or large business entities in the legal entity should not exceed 49%
- To be a resident taxpayer.

The following criteria for the product (service) to be provided by the applicants are noted:

- The product (service) must be produced for the purpose of gaining income or profit;
- To be based on innovative initiative;
- Must be competitive;
- In the short term (up to 3 years) there should be a reasonable forecast of growth in demand for the product (service) created;
- Should not be identical to other startup product (service).

Cabinet of Ministers defined that applications for obtaining a Startup Certificate shall be submitted to the Small and Medium Development Agency of the Republic of Azerbaijan.

4. On January 30, 2021, the President of the Republic of Azerbaijan signed a decree on creation of State Control Information System (hereinafter- the System). The System is established in order to ensure electronic control over the implementation of decrees, orders and instructions of the President of the Republic of Azerbaijan in the Administration of the President of the Republic of Azerbaijan and evaluation of the activities of local executive authorities grounded in key performance indicators.

The following issues are indicated on the Decree:

- Principles of information System operation;
- Functions and structures of System operation;
- Technical and technological infrastructure of the System;
- Information entered into the System;
- Functions of the operator;
- Functions of the operator on information security;
- Rights and obligations of participant;

- Use of the System.

Accordingly, the President Administration exercises the right of ownership and use of the System, ensures the maintenance of the Information System in accordance with the legislation.

Essential expenditures for the maintenance, operation and development of the System are financed from the State budget.

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