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## LEGISLATION UPDATE

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on the latest developments in the legislation

January, 2022

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## Date, heading

## Updates

**27 January, 2022**

Amendments to the Code of Administrative Offences.

Art. 539 of the Code now includes sanction for the non-execution by the participants of labor relations of the binding decisions and instructions of the relevant executive authority on the observance of the requirements of the labor legislation related to concluding, amending and terminating an employment contract, working conditions, working and rest time, exercise of the right to leave, payment of salary vacation pays, mission expenses, benefits and other payments, characteristics of exploiting labor of women and employees under 18. The sanction consists of the fine, which is 1,000 AZN for officials and 2,000 AZN for legal entities.

The same Article has also been amended in its name to include not only instructions, but also decisions of the relevant executive authority. Further, the *Note* section which stipulates that the new clause (539.1-1) is applicable only to those actions which do not cause administrative liability under the Art. 192.

The Art. 192, in its turn, has been amended to include responsibility for breach of labor legislation in relation to payments of mission expenses, allowances and other payments provided for in labor legislation.

**24 January, 2022**

New cooperative relations established.

President Ilham Aliyev approves the Agreement between the Government of the Republic of Azerbaijan and the Government of the *Kingdom of Saudi Arabia* on cooperation and mutual assistance in the field of customs, signed in Riyadh on November 15, 2021.

The Agreement signed between the Government of the Republic of Azerbaijan and the Government of the *State of Qatar* on October 18, 2021 on visa exemption for ordinary passport holders has been approved. With this, visa regime between two countries is abolished.

The Agreement signed between the Government of the Republic of Azerbaijan and the *World Bank Group* on November 18, 2021 on Establishing and Operation of Offices in Azerbaijan has been approved. The new Establishment Agreement will greatly facilitate the work of the World Bank Group in Azerbaijan. The organization will now be free from searches, orders, confiscations

## **22 January, 2022**

Azerbaijan becomes a party to international agreements.

(except special confiscations), expropriations or any forms of arrest as a result of an executive or legislative measures, regardless of the location of its assets and property.

The Parliament has decided on joining of Azerbaijan Republic to the “Agreement on cooperation for legal security and protection of intellectual property and establishment of the Interstate Council on legal security and protection of intellectual property” signed in Saint Petersburg on 19 November, 2010 and to the Protocol amending the abovementioned agreement signed on 26 May, 2017 in Kazan.

At the same time, the Law of Azerbaijan Republic № 564-IQ dated 4<sup>th</sup> December 1998 on “Approval of the Agreement on cooperation in the field of prevention of infringements in the field of intellectual property with the special opinion” is abolished.

## **11-13 January, 2022**

Amendments to the Tax Code.

The new amendments to the Tax code concern the list of exemptions from VAT.

Precisely, the term for the exemption from VAT for the *medical services* provided at the expense of the compulsory medical insurance fund in accordance with the Law of the Republic of Azerbaijan “On medical insurance” is extended from 2 years to 3 years.

The new clause has been added to the list which implies the exemption from VAT for the period of 5 years from October 15, 2021 for the following type of import:

*“import of all types of machinery, equipment, technical means and devices, their spare parts, personal armored protective clothing, tools, mine detection dogs, explosives and pyrotechnics within the framework of clearing the liberated territories of the Republic of Azerbaijan, as well as other territories affected by war and military operations from mines and unexploded ordnance, explosive devices and other explosive remnants on the basis of the confirming document of the body (institution) determined by the relevant executive authority.”*

The same amendment has also been added to the Law “on Customs Tariff”.

**11 January, 2022**

Additional authorization for the Intellectual Property Agency.

With the new amendment to the Law on “Copyright and related rights”, new clause has been added to the Art. 41:

*“Control over the implementation of the activities of organizations managing property rights on a collective basis in accordance with the requirements of this Law shall be exercised by a body established by the relevant executive authority.”*

Here as a body established by the relevant executive authority stands the Intellectual Property Agency of Azerbaijan Republic.

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