

## **Important changes are introduced in the Migration Code regarding the criterias for obtaining (extending) temporary and permanent residence permits**

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Pursuant to the Decision No. 31 of the Board of the Ministry of Economy of the Republic of Azerbaijan dated December 29, 2023, the amount of the paid-up charter capital and the turnover volume of the legal entity established in the Republic of Azerbaijan, as well as the turnover volume for entrepreneurial activity, for issuance (extension) of temporary and permanent residence permits have been determined:

During the issuance (extension) of temporary residence permits:

Based on holding the position of head of a legal entity established in of Azerbaijan, with at least one of the founders being a foreign legal or natural person or holding at least 51 percent of the shares (shares) of that legal entity, the amount of paid-up charter capital of the said legal entity is 50,000 AZN, and the turnover volume is 100,000 AZN.

Based on conducting entrepreneurial activity in the Republic of Azerbaijan, the turnover volume is defined as 50.000 AZN

During the issuance (extension) of permanent residence permit:

Based on holding the position of head of a legal entity established in of Azerbaijan, with at least one of the founders being a foreign legal or natural person or holding at least 51 percent of the shares (shares) of that legal entity, the amount of paid-up charter capital of the said legal entity is 100,000 AZN, and the turnover volume is 200,000 AZN.

Based on conducting entrepreneurial activity in the Republic of Azerbaijan, the turnover volume is defined as 100.000 AZN

This Decision has entered into force on 16 January 2024.



### **A major change in the Mediation Law**

The Law No. 1555-VQ “On Mediation” of the Republic of Azerbaijan, dated March 29, 2019, has been amended. As a result, the requirement to attend an initial mediation session before applying to the court has been removed in relation to commercial disputes. Accordingly, parties to commercial disputes will be able to recourse directly to court without going through the initial mediation session.

This amendment came into effect on January 25, 2024.

### **A list of accounting subjects for which the accounting shall be conducted in an electronic form has been defined**

Pursuant to the amendment to the Law No. 716-IIQ “On Accounting” of the Republic of Azerbaijan dated June 29, 2004, accounting will be carried out in electronic form in the following subjects:

Large business entities and medium-size business entities in accordance with the stages determined by the President of the Republic of Azerbaijan

Taxpayers operating within the framework of the laws on the production sharing, the main export pipeline and other such agreements or laws, including the laws on oil and gas activities for export purposes.

Public legal entities that must accordingly publish annual financial statements or consolidated financial statements

This Amendment has entered into force on 22 January 2024.