

Client Alert on Regulations of Licensing in Azerbaijan

December 22, 2015

On 21 December 2015 the President of the Republic of Azerbaijan signed a Decree On certain measures in the area of licensing.

New Regulations on Licensing approved

In accordance with the new Regulations from now on all licenses will be issued for an unlimited period. Moreover, with effect from 22 December 2015, all current licenses will have an unlimited term of validity.

The Ministry of Economy and Industry of the Republic of Azerbaijan was designated as the state authority responsible for the issuance, suspension, resumption and cancellation of licenses (except for licenses issued for types of activities related to national security) through ASAN centers or the Electronic License Portal.

Licenses now shall be issued within 10 days of application (the previous regulations provided for a 15-day period).

Furthermore, the Ministry of Economy and Industry and the State Agency for Public Service and Social Innovations under the President of the Republic of Azerbaijan have been charged within three months to prepare and submit to the President draft Regulations on the Electronic License Portal.

The previous *Regulations on improvement of the issuance of special permits (licenses) for certain types of activities*, which were approved by the Presidential Decree No. 782, dated September 2, 2002, have now been revoked.

List of licensable activities (except for activities related to national security) and the amount of state duties payable for the issuance of licenses for the relevant types of activities

In accordance with a List of Licensable Activities, the number of activities which require a special permit (license) was reduced from 60 to 32, while the amount of state duties payable for the issuance of licenses is reduced by up to 50%.

Activities no longer requiring a license now include tourism services and the sale of tobacco and alcoholic drinks.

List of licensable activities related to national security and the amount of state duties payable for the issuance of licenses for the relevant types of activities

The List defines four types of activities related to national security which would require a license and establishes the related state duties for the issuance of the license:

- private security activity (AZN 1,500);
- designing and manufacturing of information security systems (AZN 1,100);
- developing biometric technologies and providing maintenance services therefor (AZN 1,100);

- creation and establishment of a personal information manager and rendering services therefor (AZN 1,100).

The authorities responsible for issuing licenses for the aforementioned types of activities are the State Security Service, the Ministry of Internal Affairs and the Ministry of Communications and High Technologies.

Your Key Contacts



James E. Hogan

Office Managing Partner,

Baku

D +994 12 4 90 75 65

james.hogan@dentons.com