



## Legal updates

### Deloitte Legal—representing tomorrow

---

#### **Amendments to the law on “Non-Cash Settlements”**

The President of the Republic of Azerbaijan approved the law “On amendments to the law on Non-Cash Settlements” on 13 July 2017.

Under the new amendments, along with some technical changes, settlements specified in Article 3.4.4 which are pensions, scholarships, financial assistance, allowances (including one-time allowances), compensation, indemnities etc. shall not be subjected to detective search activity, intelligence and counter-intelligence activity.

#### **The Law on “Tourism” has been amended**

The President of the Republic of Azerbaijan approved the law “On amendments to the law on Tourism” on 13 July 2017.

A new clause was added to Article 9 of the Law on Tourism according to which, payments to travel agents must only be made by non-cash methods.

## **Amendments to the Labour Code**

The law "On amendments to the Labour Code" was approved by the Presidential Decree of 13 July 2017.

New clause of "x" has been added to the first paragraph of Article 12 under which, all payments made to the employees may only be implemented according to the law on "Non-Cash Settlements"

## **Amendments to the Civil Code**

Presidential Decree of 25 April 2017 approved the "Law On Amendments to the Law on state duty".

The amendments introduce state duty of AZN 500 for performing currency exchange operations.



## **Amendments to the law on Compulsory Insurances.**

The law "On amendments to the law on Compulsory Insurances" was approved by the Presidential Decree on 13 July 2017.

A new Article 4-1 has been introduced under the current amendments which states that:

"Payments under settlements defined with this law are implemented only in non-cash"

Moreover, Article 11.3 has been removed from the Law and the word "cash or" has been replaced with the word "only" in the text of Article 11.1. As per the prior wording of Article 11.1, insurance premiums were paid in cash or non-cash. Following the amendments, insurance premiums may be paid only in non-cash now.

## **Amendments to the law on Central Bank.**

The President of the Republic of Azerbaijan approved the Law "On amendments to the law on Central Bank" on 13 July 2017.

Under the amendments, the word "Central" in Articles 22.0.5, 22.0.13, 22.0.16 has been replaced with the words "under an agreement with the appropriate executive power, Central" and the word "international" in Article 22.0.8 has also been replaced with the words "under an agreement with the appropriate executive power, international".

Now, by the virtue of Articles 22.0.5, 22.0.13 and 22.0.16, the Board of the Central Bank has an authority approve the Central Bank's budget and amendments to it, its organizational structure and management procedures, to determine the forms and amounts of remuneration by agreeing with the President of the Republic of Azerbaijan.

Moreover, the Board has an authority to define the strategy and rules for the maintenance and management of international gold and currency reserves by agreeing with the relevant international executive authority under article 22.0.16



## Amendments to the law on Deposit Insurance

The President of the Republic of Azerbaijan approved the Law "On amendments to the law on Deposit Insurance" on 13 July 2017.

Under the amendments, according to Article 6.2, the Trustee Board consists of one representative of the financial markets supervisory authority, one representative of the Central Bank, three representatives of the relevant executive authorities (Ministry of Labour and Social Protection and Population, Ministry of Finance and Ministry of Economy respectively) and two representatives of the member banking community as recommended by member banks.

At the same time, the word "the Fund's" in Articles 8.1.1-8.1.4, 8.1.10, 8.1.13, 8.1.16 is replaced with the words "under an agreement with the appropriate executive power, the Fund's".

According to the amendments, the Fund's Board of Trustees has an authority, by agreeing with the President of the Republic of Azerbaijan, to approve Fund's organizational structure, rules, annual budget and amendments to it and forms and amounts of remuneration of its employees; to determine the methods, directions and rules of placement of the it's funds; to appoint the external auditor and confirm the audit results; to make a decision on issuing long-term debt securities.

 [Get in touch](#)



[deloitte.az](http://deloitte.az)

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as "Deloitte Global") does not provide services to clients. Please see [www.deloitte.com/about](http://www.deloitte.com/about) for a more detailed description of DTTL and its member firms.

Deloitte provides audit, consulting, financial advisory, risk management, tax and related services to public and private clients spanning multiple industries. Deloitte serves four out of five Fortune Global 500<sup>®</sup> companies through a globally connected network of member firms in more than 150 countries bringing world-class capabilities, insights, and high-quality service to address clients' most complex business challenges. To learn more about how Deloitte's approximately 244,000 professionals make an impact that matters, please connect with us on [Facebook](#), [LinkedIn](#), or [Twitter](#).

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited, its member firms, or their related entities (collectively, the "Deloitte Network") is, by means of this communication, rendering professional

advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser. No entity in the Deloitte Network shall be responsible for any loss whatsoever sustained by any person who relies on this communication.

© 2017 For information, contact Deloitte Touche Tohmatsu Limited.

To no longer receive emails about this topic please send a return email to the sender with the word "Unsubscribe" in the subject line.