



Azerbaijan Legal News

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[Suspension of Audits in the Sphere of Entrepreneurship](#)

The President of Azerbaijan signed a new law titled “On Suspension of Audits in the Sphere of Entrepreneurship” (“Law”), dated 20 October 2015. The Law will go into effect on 1 November 2015 with the purpose of stimulating entrepreneurship.

The Law suspends the audits in the sphere of entrepreneurship for the period of two years; however, it does not apply to tax audits and audits by the General Prosecutor’s Office concerning corruption crimes, life and health-threatening situations, and instances threatening national security or the state’s economic interests.

The Decree of the President “On Imposing Additional Measures on Application of the Law” (“Decree”) dated 26 October 2015 defines and approves the list of the aforementioned audits not subject to suspension under the Law. The Decree lists the processes of the aforementioned audits that arise from situations where human health and life, state security, or the state’s economic interests may be at risk:

- Checking the quality of drugs and verify compliance with the rules of safety and sanitary requirements set by the Ministry of Health of Azerbaijan
- Verifying compliance with phytosanitary and veterinary requirements set by the Ministry of Agriculture of Azerbaijan
- Investigating illegal access to gas, water supply, electricity, or heating networks

- Auditing of insurance and reinsurance companies (to be performed by the Ministry of Finance of Azerbaijan)
- Auditing of credit institutions and their affiliated business entities (to be performed by the Central Bank of Azerbaijan)
- Auditing the storage and distribution of radioactive, explosive, or highly dangerous substances or equipment. Verifying compliance with the technical safety codes of the mining industry, the hydraulic engineering, oil & gas industries, and the construction industry, as well as technical and fire safety codes set by the Ministry of Emergency Situations
- Checking all other activities that may pose a threat to human health and life, state security, or the state's economic interests.

All such audits shall be approved by the Ministry of Economy and Industry of the Republic of Azerbaijan.

In the event of any violation of the requirements under the Law, an entrepreneur is entitled to file a claim with the Ministry of Economy and Industry of the Republic of Azerbaijan or to commence administrative and legal proceedings.

Tax & Legal Department

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