

DOING BUSINESS

IN AZERBAIJAN



The network
for doing
business

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1 – INTRODUCTION

UHY is an international organisation providing accountancy, business management and consultancy services through financial business centres in 100 countries throughout the world.

Business partners work together through the network to conduct transnational operations for clients as well as offering specialist knowledge and experience within their own national borders. Global specialists in various industry and market sectors are also available for consultation.

This detailed report providing key issues and information for investors considering business operations in Azerbaijan has been provided by the office of UHY representatives:

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Information in the following pages has been updated so that they are effective at the date shown, but inevitably they are both general and subject to change and should be used for guidance only. For specific matters, investors are strongly advised to obtain further information and take professional advice before making any decisions. This publication is current at August 2020.

We look forward to helping you do business in Azerbaijan.

2 – BUSINESS ENVIRONMENT

Azerbaijan, officially called the Republic of Azerbaijan, is the largest country in the Caucasus region, located at the crossroads of Western Asia and Eastern Europe.

The country is bounded by the Caspian Sea to the east, Russia to the north, Georgia to the northwest, Armenia to the west and Iran to the south. The exclave of Nakhchivan is bounded by Armenia to the north and east, and Iran to the south and west, while having a short borderline with Turkey to the northwest.

THE AZERBAIJAN CONSTITUTION AND GOVERNMENT

Azerbaijan is a secular and unitary constitutional republic. The structural formation of Azerbaijan's political system was completed by the adoption of the new constitution on 12 November 12 1995.

Azerbaijan is divided into 10 economic regions; 66 rayons (political districts) and 77 cities, of which 11 are under the direct authority of the republic. Moreover, Azerbaijan includes the Autonomous Republic of Nakhchivan.

POPULATION

Of a total population of 10,671,000 people (01 January 2020), nearly 53% were urban dwellers, with the remaining 47% rural population. 50.1% of the total population was female.

AREA

The territory of Azerbaijan is 86.6 square kilometres, including the Autonomous Republic of Nakhchivan.

CURRENCY

The national currency of Azerbaijan is the manat (AZN), where one AZN is equivalent to USD 1.7000 or to EUR 1.9979 (12 August 2020).

LANGUAGE

The official language is Azerbaijan, which belongs to the Turkish group of languages.

THE ECONOMY

The economy is constructed around the oil industry. 30% of gross domestic product (GDP) is derived from oil production. Service industries account for only 45% of GDP. According to the direction of the president, thanks to the income from the oil production, the non-oil sector of economy is developing. We can see this increase in service sectors such as tourism and transportation etc.

UNEMPLOYMENT

Within the last ten years, 600,000 work positions opened in Azerbaijan according to official figures. Unemployment is 4.8% of the active population.

PRICES AND INTEREST RATES

The official interest rate is 13%, which is high, considering Azerbaijan is a small country and the currency reserve is quite high. The interbank exchange rate is 16%, which is also high and one of the big issues with the economy.

FOREIGN TRADE AND THE BALANCE OF PAYMENTS

In the last few years Azerbaijan exports have grown at a higher rate than average world trade and at a higher rate than the country's imports. Although Azerbaijan's foreign trade shows a surplus, 70% of exports are accounted for by oil and oil goods. Despite efforts of the government to diversify exports, the dominance of oil remains.

FINANCIAL INSTITUTIONS

Azerbaijan's banking sector still has some weaknesses. All assets of the banking sector are valued at around USD 22 billion, which is a very low valuation. Although demand in the capital market is high, banks' interest rates are high. Banks specialise particularly in credit and corporate services. The banking sector is controlled by the Central Bank of Azerbaijan.

Council of Financial Stability was established by President Ilham Aliyev in 2016. The main purposes of the Council is to strengthen macroeconomic stability and financial sustainability, manage policy in this field and reach effective best practice of legal application.

Unfortunately, the bank organization still have to eliminate one of the banking sector's main issue, which is dynamic growth in overdue loans. Certain measures initiated by banks have not made particular results. However, the government takes comprehensive measures to fight against the growth of problem loans. Consequently, it gives some hopes that the condition of bank organizations and their clients will improve in 2018-2019.

STOCK MARKET

The Baku Interbank exchange is the coordinator of stock market participants. Government securities, public and corporate bonds and shares are mostly traded on the exchange.

3 – FOREIGN INVESTMENT

After the collapse of the USSR, Azerbaijan's huge oil and gas reserves created an attractive investment climate for foreign companies such as Exxon, BP, Shell, Total and Agip etc. to invest in the oil industry and to develop oil wells.

Under the Azerbaijan legislation the following persons are considered as foreign investors in Azerbaijan:

- Foreign legal persons;
- Foreign citizens, stateless persons, and citizens of Azerbaijan with a permanent residence abroad subject to registration in their country of residence for engaging in economic activity;
- Foreign states;
- International organizations.

All types of tangible and intangible rights, including intellectual property rights, contributed by foreign investors to entrepreneurial and other types of activities for the purpose of making a profit are considered foreign investment. They include participation interest and shareholding in Azerbaijani companies, acquisition of immovable property (except land plot), acquisition of securities and other assets liable for purchase by foreign investors under Azerbaijani law, and contractual agreements with Azerbaijani individuals and legal entities that provide for other forms of foreign investments.

The President signed an order, dated January 1st 2018, in respect to promoting investment activities and protection of rights of foreign investors in Azerbaijan. The main point of the order is to adopt a new law on investment activity envisaging state guarantee to investor's rights, rules on alternative dispute resolution and indemnifying damage.

All Production Sharing Agreement (PSA) participants have tax and customs exemptions.

Direct investments are considered where investors take the form of a separate legal entity or branch of a foreign company. The investment can be valued in cash and assets.

There is no restriction in the purchasing of local financial institutions' shares. Owing to this, within previous years the European Bank for Reconstruction and Development (EBRD) purchased a 25% share in several banks.

4 – SETTING UP A BUSINESS

Since 2007, the registration of legal entities or business bodies became a much easier process owing to the application of a 'one window' system.

After applying with all the required documents, a company is registered within seven days.

There is no limitation of capital in the registration of the entity. But the capital should be paid up upon incorporation. The capital may be paid up in cash or in kind (equipment, land, stock, property etc.)

Cash contribution to capital has to be certified by a bank and any contribution in kind has to be independently valued by an appraiser.

Under Azerbaijan law any entity with foreign investment doing business in Azerbaijan must register as a joint-stock company, limited liability company, partnership, or any legal form of an entity compliant with Azerbaijani legislation.

Foreign entities can register as one of the below legal forms in Azerbaijan:

Subsidiary

A subsidiary is a locally established company in Azerbaijan. It can be in the form of limited liability company or joint-stock company. For local legislation purposes subsidiary is considered as Azerbaijan legal entity.

Branch

A Branch carries out activities on behalf of Head Office. Branches are not required to have a charter fund and they are able to transfer income into overseas accounts, under certain conditions.

Representative Office

Representative Office is registered for conducting local presence of a non-resident. Its main activities must be non-commercial activities. Representative Office, as well as Branch are considered non-resident for Azerbaijan legislation purposes.

Below are the legal forms of operating business in Azerbaijan:

- General Partnership;
- Limited Partnership;
- Limited Liability Company;
- Additional Liability Company;
- Joint-Stock Company.

5 – LABOUR

Labour relations in Azerbaijan are covered Labour Code, which covers legislation different from the early 90s with a number of later regulatory acts expanding the general code's terms.

Labour relations between employees and employers in Azerbaijan are regulated by laws and labour contracts/collective agreements.

There are many laws regulating employment in Azerbaijan, but the Ministry of Labour and Social Defence is a major controlling state body for labour relations.

LABOUR AGREEMENT

Labour agreement includes all obligations, rights and duties of the parties. Hiring people without an agreement can lead to a large penalty and can result in a criminal conviction. Employment contracts also include a trial period, which is three months.

The contract can be drawn up for an unlimited period, for one year or less. After working six months, employees have the right to take vacation. Vacation is compulsory, but if for some reason the employee cannot take vacation, the vacation fee is paid for without any restriction in time.

SOCIAL SECURITY

According to Azerbaijan law all employees have to pay 3%+10% of the salary for social security purpose and 0.5% for employment insurance to the State Social Defence Fund from his salary. Also the company is obliged to pay 22%+15% of the salary fund for Pension purpose and 0.5% for employment insurance to the same state Fund.

A standard working week has been defined 40 hours. Additional compensation for overtime and work performed on weekends, public holidays and mourning days has been stipulated by the Azerbaijan legislation.

Two months' notice of termination must be given by an employer to an employee in the event the employee is made redundant. An employee can terminate their employment upon ending one month's notice given to employer.

6 – TAXATION

Currently, there are three tax regimes in Azerbaijan:

- Statutory tax regime
- Tax regime under Production Sharing Agreements
- Tax regime under Host Government Agreements

The main taxes stipulated under Azerbaijan tax legislation are corporate income tax, Value Added Tax, individual tax, simplified tax, property tax, withholding tax, social insurance contributions and other liabilities.

Permanent Establishment (PE)

Under Azerbaijan tax legislation a non-resident creates a PE for conducting commercial activities for more than 90 days, cumulatively, in any 12-month period. Despite this definition, the Tax Code of the Republic of Azerbaijan (Tax Code) also provides that entities solely conducting any or all of the following activities do not qualify as a PE in Azerbaijan:

- the storage and display of goods
- the storage of goods for processing by another entity and subsequent export from Azerbaijan
- the procurement of goods and the collection of information
- the performance of any other preparatory or auxiliary activities.

Non-resident entities, which do not create a PE are subject to withholding tax at the source of payment.

Corporate Income Tax

Azerbaijan residents are subject to corporate income tax for their worldwide income, whereas non-residents pay corporate income tax from their Azerbaijan source income.

Corporate income tax rate is set at 20% to the net profit.

Costs connected with generation of taxable income are allowed to be deducted for corporate income tax purposes. The Tax Code disallow deduction of expenses, which are not related to income generation, social and entertainment expenses. Additionally, financial sanctions, administrative penalties and late payment interest under legislation, except for penalties for damages and other fines incurred under civil contracts, costs incurred regarding false transactions are considered non-deductible

In accordance with the Tax Code certain expenses, such as interest costs, bad debts, expenses incurred for scientific research, depreciation and repair costs, insurance payments are subject to limitations and rules for deduction from income.

Fixed assets with residual value of AZN 500 and useful life more than one year are deducted from income by method of depreciation. The table below illustrates maximum rate of depreciation for each category of fixed assets.

Depreciation rates:

Premises	Up to 7%
Vehicles	Up to 25%
Hi-tech computers and servers	Up to 25%
Equipment and machinery	Up to 20%
Costs related to geology and explorations	Up to 25%
Intangibles (indefinite useful life)	10%
Intangibles (definite useful life)	Proportionally to the useful life
Other fixed assets	Up to 20%

The remaining balance from using the lower rates can be utilized in future periods.

Micro entrepreneurship subjects with annual transactions up to AZN 200,000 in a consecutive 12-month period can deduct depreciation expenses by multiplying the above rates with a coefficient of two.

Small entrepreneurship subjects are permitted to deduct depreciation costs by multiplying the above rates with a coefficient of 1.5.

Corporate Income Tax is paid in advance. Advance tax payments are calculated in of the following methods:

- at 25% of the previous year's tax liability, or
- by multiplying the amount of their income in the current quarter by the weighted tax coefficient of the gross income for the previous year.

An annual corporate income tax return is due no later than 31 March of the following reporting year. This deadline can also be extended by three months, provided that the tax is paid in full by the original due date.

Transfer Pricing

Transfer pricing is applied to transactions between the following persons:

- Azerbaijan residents and related-party non-resident persons;
- PE of non-residents in Azerbaijan and a non-resident, or any representative offices, branches, divisions or any of this non-resident in other countries;
- An Azerbaijan resident or the PE of a non-resident in Azerbaijan and entities established (registered) in countries with concessive taxation.

Transfer pricing must be in compliance t with the prices defined in comparable transactions conducted under similar conditions between the parties other than controlled persons.

Transfer pricing applies to operations with a value exceeding AZN 500,000. Persons conducting such transactions have to submit a relevant certificate to the tax office no later than 31 March of the subsequent year.

In case comparable information on different transactions does not exist or information on pricing of the goods in transactions between other parties is impossible to be obtained, the transfer price is determined under the following methods:

- Resale price method;
- Cost plus method;
- Comparable profit method;
- Profit split method.

Individual taxes and contributions

Individual taxes

Azerbaijan resident individuals and non-resident individuals are subject to individual taxation in Azerbaijan. Non-resident individuals pay taxes for their Azerbaijan source income, whereas the resident individuals are subject to personal taxation for their worldwide income.

Starting from January 1st, 2019 the income of employees working in other than oil and gas and government sectors will be subject to tax as below for 7 years.

Monthly income	Tax rate
Up to AZN 8,000	0%
More than AZN 8,000	14% of the amount exceeding AZN 8,000

The income of individuals employed in oil and gas and government sectors is calculated as follows:

Monthly income	Tax rate
Up to AZN 2,500	14%
More than AZN 2,500	25% of the amount exceeding AZN 2,500 + AZN 350

The employment income up to AZN 200 is exempt from taxation if the monthly income of the individual gained at the principal place of work is less than AZN 2,500.

Individuals' annual income from non-entrepreneurial activity is subject to a 14% rate of tax.

The income from entrepreneurial activities of individuals is subject to tax at 20%.

Social insurance contribution

Employers, national employees and foreign employees working in tax regimes other than PSA/HGA are obliged to pay social insurance contribution. The employer's and employee's liability for social insurance contribution is set at 22% and 3% accordingly.

Starting from January 1st, 2019 the income of employees working in other than oil and gas and government sectors will be subject to social insurance contribution as in the following table for 7 years.

Monthly income	Employer's liability	Employee's liability
Up to AZN 200	22%	3%
More than AZN 200	15% of the amount exceeding AZN 200 + AZN 44	10% of the amount exceeding AZN 200 + AZN 6

Unemployment Insurance Contribution

Employers and employees are equally liable to pay unemployment insurance contribution at 0.5% of the monthly gross remuneration of employees.

Simplified tax

The following persons have right to be a simplified taxpayer:

- persons with annual turnover of up to AZN 200,000;
- persons rendering catering services with annual turnover exceeding AZN 200,000.

Simplified tax rate is set at 2% for the territory of the Republic of Azerbaijan, except for certain activities).

A different simplified tax rate is applied to

- catering services at 8% of the quarterly turnover;
- sale of residential and non-residential premises (except for the immovable property, which is under registration of an individual more than 3 years) at a fixed amount of AZN 15 per square meter multiplied by an applied coefficient (determined by the regional executive authorities);
- operators of betting games at a rate of 6% from gross payments received from game participants;
- sellers of betting games at a rate of 4% from gross commission paid to the sellers by the operators.

The following persons will not be eligible to be classified simplified taxpayers:

- Persons conducting housing construction business
- Persons conducting wholesale trading;
- Entities with headcount over 10 employees engaged in production;
- Participants of insurance market (except for insurance agents);
- Persons providing services to the tax registered persons/entities;
- Persons engaged in license-required activities.

Withholding tax

Foreign legal entities, which do not have tax registration in Azerbaijan and the individuals' certain income is subject to withholding taxes on Azerbaijan source at the following rates:

4% — insurance payments:

6% — telecommunications and international transport services

10% — dividends

10% — interest

14% — lease payments

10% — royalties

10% — other income from Azerbaijani sources 10% — payments to entities established in countries or territories with concessive taxation

Parties making the above payments to non-resident entities are required to withhold taxes at the above rates and then remit the taxes to the state budget. Withholding tax returns are submitted on a quarterly basis by the 20th of the month following the reporting quarter.

In addition to the profit tax paid by the non-resident's PE, each amount transferred from the PE's net profit to the non-resident is taxed at a rate of 10%.

Effective from January 1st 2016, annual interest income of individuals on bank deposits placed in all banks in Azerbaijan is exempt from withholding taxes for 7 years.

If a resident directly or indirectly holds more than 20% of the charter capital or has more than 20% of the voting shares of a non-resident entity earning income in countries with a concessive taxation system, such income of the resident is included in its taxable income in Azerbaijan.

Countries or territories with a beneficial taxation system are listed below:

Andorra	Bermuda
Anguilla	The British Virgin islands
Antigua and Barbuda	Jersey
Aruba	Gibraltar
The Bahamas	The Dominican Republic
Barbados	Fiji
Belize	Hong-Kong (CNR)
Cabo Verde	Monaco
The Cayman Islands	Montserrat

The Cook Islands	Niue
Grenada	Palau
Liberia	Panama
Lichtenstein	Samoa
The Maldives	Saint Lucia
The Marshal Islands	Trinidad and Tobago
Thailand	Vanuatu
Taiwan (CNR)	The Virgin Islands (US)
The Turks and Caicos Islands	

The above list is subject to update by the respective executive authority each year.

Value Added Tax (VAT)

Business activities carried out within territory of Azerbaijan and the import of goods and certain services are subject to VAT.

The standard rate is 18%. Certain transactions are exempt from VAT or carry a rate of zero.

If the taxable turnover or total value of one transaction or contract exceeds AZN 200,000 in a consecutive 12-month period, the taxpayer must register for VAT purposes before starting its activities.

The Tax Code also permits voluntary VAT registration.

Buyer of services or work, which are subject to VAT in Azerbaijan, from non-residents must self-assess a reverse-charge VAT and remit it to the state budget.

All payers of VAT are required to make their VAT payments through designated bank accounts called VAT deposit accounts. Only VAT payments made through these accounts can be credited against output VAT.

Upon registration as a VAT payer, a person is required to charge VAT for sale of its goods, performing of work or services in Azerbaijan. The place of sale of goods is considered to be the place where the goods are passed to the purchaser. For goods that require transport, the place of supply is considered to be where the transport of the goods start.

In general, input VAT paid to suppliers of goods and services/work (and reverse charge VAT) can be credited against output VAT.

The negative difference between output and input VAT may either be refunded or offset against other taxes.

Tax refunds are difficult to receive in practice, although claiming against other taxes is usually permitted by the tax authorities.

VAT returns must be submitted and the tax amount must be paid by the 20th of the following month. Output VAT and input VAT is recognized on a cash basis. VAT on imported goods is paid separately at the point of customs clearance.

Property tax

Property tax of companies is levied at the rate of 1% on the average annual residual value of fixed assets, except for vehicles.

Other taxes

Mining tax

Legal entities and individuals engaged in the extraction of minerals, crude oil, and natural gas in Azerbaijan are subject to pay mining tax. The rate for crude oil, natural gas, and minerals, is set at 3% to 26% of the wholesale price, and for non-minerals at AZN 1 - AZN 10 per each m².

Excise tax

The following goods are subject to excise tax:

- spirits, beer, and all other types of alcoholic beverages;
- tobacco products;
- petroleum products;
- passenger vehicles (except for certain transport means);
- leisure yachts and sports yachts;
- imported jewelry along with products made out of precious metals and processed, sorted, framed, and fixed diamonds;
- fur/leather products;
- energy drinks;
- buses (except for those using compressed gas);
- liquids for electronic cigarettes.

Land tax

The owners and user of land plot in Azerbaijan are subject to pay land tax. Land tax is set as a predetermined fixed payment.

Road tax

Persons engaged in the production or import of automobile fuel, diesel fuel and liquid gas and non-residents entering the territory of Azerbaijan and using this territory for transportation of passengers and cargo are obliged to pay road tax. The tax rate varies depending on the capacity of vehicle engine, weight carried, and the wholesale price of fuel per liter.

Production Sharing Agreements (PSAs)

Foreign entities and their branches in Azerbaijan are considered foreign subcontractors under PSAs and subject to a withholding tax at 5% to 10%. Unlike foreign subcontractors, local subcontractors, locally incorporated, pay profit tax.

Both foreign and local subcontractors under PSAs are eligible to benefit from exemptions on VAT and customs duties

Customs

Customs duties for import of goods to Azerbaijan are determined at the range of 0% - 15% of the customs value. In addition VAT also shall be applied to the imported goods, except for certain exemptions.

Temporary import is exempt from customs duties and VAT provided that the temporary import will be exported within a certain period and no substantial changes shall be made to this object.

Most of imports/exports are subject to customs processing fee up to AZN 550.

In accordance with PSA regime, contractors, and subcontractors have right to import and re-export goods used for hydrocarbon activities free from import duties. VAT for import of goods under PSA is exempt from VAT at 0%.

This kind of exemptions can be benefited by the participants of HGAs too.

Miscellaneous

Cashless operations

Settlements over the below limits must be carried only cashless:

VAT payers and other taxpayers have to make settlements only on non-cash basis for settlements over AZN 30,000 and AZN 15,000 accordingly per calendar month. 1% simplified tax is calculated for cash withdrawals by legal entities and sole traders from their bank account.

Advanced tax rulings

An advanced tax ruling refers to the advance determination by the tax authorities of potential tax liabilities and the legal results arising from the application of tax legislation to operations.

In order to benefit from an advanced tax ruling, an application form, together with all necessary documents, should be submitted to the tax authorities. The official duty to be paid is AZN 500 and the decision is valid for three years.

Double tax treaties

The government of Azerbaijan has concluded double tax treaties with other governments on elimination of double taxation. The applicable maximum rates of withholding taxes under existing double tax treaties are illustrated in the table below.

#	Country	Tax rates		
		Dividends	Interest	Royalty
1	Austria	5/10/15	0/10	5/10
2	Belgium	5/10/15	0/10	5/10
3	Belarus	15	0/10	10
4	Bosnia and Herzegovina	10	0/10	10
5	Bulgaria	8	0/7	5/10
6	Canada	10/15	0/10	5/10
7	China	10	0/10	10
8	Croatia	5/10	10	10
9	Czech Republic	8	0/5/10	10
10	Denmark	5/15	0/8	5/10
11	Estonia	5/10	0/10	10
12	Finland	5/10	0/10	5/10
13	France	10	0/10	5/10
14	Georgia	10	0/10	10
15	Germany	5/15	0/10	5/10
16	UK	10/15	10	5/10
17	Greece	8	8	8
18	Hungary	8	8	8
19	Iran	10	10	10
20	Italy	10	10	5/10
21	Israel	15	0/10	5/10
22	Japan	15	10	10
23	Kazakhstan	10	0/10	10
24	Korea	7	0/10	5/10
25	Kuwait	0/5/10	0/7	0/10
26	Latvia	5/10	0/10	5/10
27	Lithuania	5/10	0/10	10
28	Luxembourg	5/10	10	5/10
29	Macedonia	8	0/8	8
30	Malta	8	0/8	8
31	Moldova	8/15	10	10
32	Montenegro	10	0/10	10
33	Netherlands	5/10	10	5/10
34	Norway	10/15	10	10
35	Pakistan	10	10	10
36	Poland	10	10	10
37	Qatar	7	0/7	5
38	Romania	5/10	0/8	10
39	Russia	10	0/10	10
40	San Marino	5/10	0/10	5/10

41	Saudi Arabia	5/7	7	10
42	Serbia	10	0/10	10
43	Slovenia	8	0/8	5/10
44	Sweden	5/15	0/8	5/10
45	Switzerland	5/15	0/5/10	5/10
46	Tajikistan	10	0/10	10
47	Turkey	12	0/10	10
48	Ukraine	10	10	10
49	United Arab Emirates	5/10	0/7	5/10
50	Uzbekistan	10	0/10	10
51	Vietnam	10	0/10	10

Double tax treaties with the following countries not in effect yet:

- Spain, signed on 23 April 2014
- Jordan, signed on 5 May 2008

7 – ACCOUNTING & REPORTING

Accounting regulations are provided in law “On Accounting” March 1995. In 2004 the Azerbaijani Government took measures to develop the transparency of financial reporting, expedite the economy’s transition into the global financial system, and take the national reporting and accounting system up to international standards.

The June 2004 Law “On Accounting” stipulates the implementation of International Financial Reporting Standards (IFRS) in organisations engaged in business activities in Azerbaijan. The law sets which types of organisations are required to adopt various accounting standards.

Public interest entities are considered as credit organisations, insurance companies, private pension funds, and legal entities with stock market listings. Entities, which meet at least two of the following criteria are also considered to be public interest entities:

- having revenue of or exceeding AZN 30 million (around USD 17.6 million)
- having an average headcount of at least 1,200
- having a total balance sheet of or exceeding AZN 100 million (around USD 59 million)

All public interest entities in Azerbaijan must adhere to IFRS. Business organisations are required to follow either IFRS or the National Accounting Standards for Commercial Organizations (NASCO).

Small businesses are allowed to follow simplified accounting rules, as approved by the Ministry of Finance. Alternatively, they may choose to follow the NASCO. Small businesses are defined by assessing the size of their business in their specialist area of operations. For example, in the industry and construction sphere, an entity with fewer than 40 employees and an annual turnover of less than AZN 200,000 is considered to be a small business.

NASCO regulations are largely based on the 2006 version of IFRS. The use of IFRS and NASCO standards became mandatory for commercial entities and public interest entities on 1 January 2008. These standards have also been in force for non-commercial organisations since January 2009.

8 – UHY REPRESENTATION IN AZERBAIJAN



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- LinkedIn: <https://www.linkedin.com/company/uhy-audit-llc>

Year established: 2010
Number of partners: 5
Total staff: 19

SERVICE AREAS

Audit & assurance
Tax Compliance
Accounting
Tax advice
Legal
Business Valuations
Fund Raising
Financial Modelling
Forensic accounting

SPECIALIST SERVICE AREAS

Audit & assurance
Financial advisory
Tax advice
Tax compliance
Valuation

Forensic accounting

PRINCIPAL OPERATING SECTORS

Oil&Gas
Construction
Agriculture
Real Estate
Mining
Financial Institutions
Tourism
Hospitality
Medicine



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UHY AUDIT LLC AZERBAIJAN



LANGUAGES

English
Azerbaijani
Russian
Turkish

CURRENT PRINCIPAL CLIENTS

5

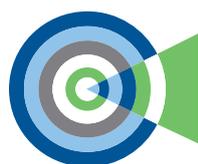
OTHER COUNTRIES IN UHY CURRENTLY WORKING WITH, OR HAVE WORKED WITH IN THE PAST

UHY Sweden UHY UK

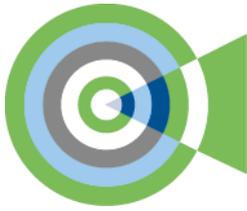
BRIEF HISTORY OF FIRM

UHY LLC is a business-oriented consultancy and audit firm. We pay much attention and put great efforts to learn about our clients, so we can better understand their needs, challenges and business opportunities. Such understanding greatly contributes to delivering more meaningful insights and the right expertise our clients need to succeed.

The company was set up in 2010 and has developed substantially being transformed into one of the leaders of the local market being among the top 10 Azerbaijani companies. Since 2019, our firm has become a member of UHY International, one of the top 20 global networks of legally independent accounting and consulting firms. UHY is the brand name for the UHY International Network. Now UHY LLC is one of the top professional services firms in the Republic of Azerbaijan, and UHY International is one of the largest accounting networks in the world. Our team's success is based on our knowledge, skills and the best practice of the Republic of Azerbaijan and the UHY's global network.



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