



# Tax and Legal messenger

In this release, we would like to bring to your attention an overview of the following:

- Privileges and Exemptions for Highly Qualified Migrants have been Adopted
- New Temporary Residence Duration for Russian Citizens and Stateless Permanent Residents of Russia in Azerbaijan
- Digital Development Concept of Azerbaijan has been Approved
- Central Bank: Parameters of Interest Corridors

## Privileges and Exemptions for Highly Qualified Migrants have been Adopted

*On December 29, 2024, the Law "On the amendments to the Migration Code of the Republic of Azerbaijan and the Law of the Republic of Azerbaijan On State duty" (the "Amendments") was adopted.*

The definition of highly qualified migrants has been specified in the Amendments as "foreigners and stateless persons whose applications have been approved within the framework of a program aimed at expanding the opportunities for highly qualified specialists to engage in paid employment in the Azerbaijan Republic".

Pursuant to the Amendments, highly qualified migrants are granted with the following privileges and exemptions:

- Exemption from the labor migration quota approved by the Cabinet of Ministers of Azerbaijan.
- Exemption from work permits when working in their field of expertise.
- Extended duration of temporary residence permits up to 3 years (as a general rule this is 1 year), with the possibility of extensions for additional periods of up to 3 years (as a general rule, it is 2 years), in case there are valid reasons.
- During the application for permanent residence permits, exemption from the requirements on the verification of the knowledge of legal rights and obligations as envisaged by Azerbaijani legislation, as well as the state language of Azerbaijan.

Moreover, when considering the following permits for highly qualified migrants, as well as their children under 23 years old, spouses and other family members, the review periods have been reduced as follows:

- Processing of temporary residence applications – reduced by 5 business days
- Processing of work permit applications – reduced by 5 business days
- Processing of permanent residence permit applications – reduced by 10 calendar days

The Amendments came into force on December 29, 2024.

## New Temporary Residence Duration for Russian Citizens and Stateless Permanent Residents of Russia in Azerbaijan

*On December 29, 2024, the Decision "On the determination of mutually distinct regulations regarding the durations of temporary residence for foreigners and stateless persons arriving in the Republic of Azerbaijan" (the "Decision") was adopted by the Cabinet of Ministers of the Republic of Azerbaijan.*

According to the Decision, citizens of the Russian Federation and stateless persons permanently residing in the Russian Federation can stay in the Republic of Azerbaijan without a visa for up to 90 days in a calendar year. Previously, this period was 180 days.

The Decision is effective from January 1, 2025.

## Digital Development Concept of Azerbaijan has been Approved

*On January 16, 2025, the Presidential Decree "On the approval of the Digital Development Concept in the Republic of Azerbaijan" (the "Decree") was adopted.*

The main target of the Digital Development Concept (the "Concept") is to enhance state governance, accelerate economic development, and improve citizens' quality of life through the application of digital technologies.

The Concept aims to modernize public services, boost digital literacy, ensure cybersecurity, and support information and communications technology infrastructure and startups. Additionally, it emphasizes transitioning to digital platforms, expanding public-private partnerships, and implementing innovations like AI and blockchain.

Moreover, public administration will be conducted through more agile and transparent processes based on digital technologies. There will be a complete transition to a 'digital government' by fully eliminating paper-based documentation. Big data analysis, artificial intelligence, and cloud technologies will also be implemented.

The Concept also includes measures to protect data, develop 5G networks, and improve the country's competitiveness in global markets.

The Decree entered into force on January 16, 2025.

## Central Bank: Parameters of Interest Corridors

*On January 22, 2025, the Decision of the Management Board of the Central Bank of the Republic of Azerbaijan "On the parameters of interest corridors" (the "Decision") was adopted.*

According to the Decision, the interest rate remains unchanged at 7.25%. Additionally, the upper limit of the interest corridor remains unchanged at 8.25%, and the lower limit remains unchanged at 6.25%.

The Decision to keep the interest rate unchanged was made considering the actual and forecasted inflation being within the target range ( $4\pm 2\%$ ) and the analysis of macroeconomic trends.

## Contacts

We hope that you will find this overview helpful. For more detailed information, please contact the following specialists:



Arzu Hajiyeve  
Partner, Tax & Law  
Tel: +994 (12) 490 7020  
[arzu.hajiyeve@az.ey.com](mailto:arzu.hajiyeve@az.ey.com)



Mammad Balajanov  
Senior Manager, Head of Legal, Tax & Law  
Tel: +994 (12) 490 7020  
[mammad.balajanov@az.ey.com](mailto:mammad.balajanov@az.ey.com)

## EY | Building a better working world

EY is building a better working world by creating new value for clients, people, society and the planet, while building trust in capital markets.

Enabled by data, AI and advanced technology, EY teams help clients shape the future with confidence and develop answers for the most pressing issues of today and tomorrow.

EY teams work across a full spectrum of services in assurance, consulting, tax, strategy and transactions. Fueled by sector insights, a globally connected, multi-disciplinary network and diverse ecosystem partners, EY teams can provide services in more than 150 countries and territories.

All in to shape the future with confidence.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via [ey.com/privacy](https://ey.com/privacy). EY member firms do not practice law where prohibited by local laws. For more information about our organization, please visit [ey.com](https://ey.com).

© 2025 Ernst & Young Holdings (CIS) B.V.  
All Rights Reserved.

ED None.

This material has been prepared for general informational purposes only and is not intended to be relied upon as accounting, tax, legal or other professional advice. Please refer to your advisors for specific advice.

[ey.com/az](https://ey.com/az)